

The Role of Strategic Marketing in Enhancing Customer Loyalty

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Abstract— Customer loyalty is a critical determinant of long-term success for small and medium enterprises (SMEs), especially in competitive and dynamic markets. This study investigates the role of strategic marketing in enhancing customer loyalty among SMEs in Erbil, Kurdistan Region of Iraq. Using a quantitative approach, the research examines key dimensions of strategic marketing, including customer engagement, digital marketing, emotional connections, and value co-creation, and their influence on customer loyalty. The findings reveal that strategic marketing significantly impacts customer loyalty, with customer satisfaction mediating this relationship. Key results highlight the importance of personalized marketing, effective use of digital tools, and fostering emotional connections. The study offers practical recommendations for SMEs to implement innovative, customer-focused strategies and emphasizes the need for localized marketing approaches tailored to regional cultural nuances. It also provides implications for marketing practitioners, policymakers, and emerging markets while proposing directions for future research. This research contributes to the global understanding of strategic marketing practices in enhancing customer loyalty.

Keywords—Strategic Marketing, Customer Loyalty, SMEs, Customer Engagement, Digital Marketing, Emotional Connection, Value Co-Creation, Customer Satisfaction.

I. INTRODUCTION

In today's dynamic business environment, organizations face intense competition to attract and retain customers. Customer loyalty, once considered a simple byproduct of quality products or services, is now seen as a critical determinant

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of long-term business success (Tulabandhula et al., 2021). Strategic marketing has emerged as a powerful tool in achieving and sustaining customer loyalty by enabling businesses to understand, engage, and connect with their target

audience effectively (Hollenbeck & Taylor, 2021). Through a combination of tailored marketing initiatives, customer-centric strategies, and innovative approaches, businesses can foster lasting relationships with their customers, ensuring loyalty in an increasingly volatile marketplace (Abdalla et al., 2023).

Strategic marketing transcends traditional marketing approaches by focusing on long-term objectives and creating value that aligns with customer needs and expectations. Unlike transactional marketing, which prioritizes short-term sales, strategic marketing emphasizes building trust, brand equity, and emotional connections with customers (Meili, 2022). These elements are instrumental in cultivating loyalty, as they establish a sense of commitment and reliability between the brand and its audience. By leveraging data-driven insights, advanced technologies, and creative communication channels, businesses can personalize their interactions with customers, making them feel valued and understood—a key factor in fostering loyalty (Gonçalves et al., 2020).

The importance of strategic marketing in enhancing customer loyalty becomes particularly evident in the digital age, where customers are bombarded with endless options and distractions. With the proliferation of e-commerce platforms, social media channels, and digital advertisements, customers can easily switch from one brand to another (Hogreve & Gremler, 2022). This phenomenon, often referred to as the "switching economy," underscores the importance of differentiation and sustained engagement. Strategic marketing equips organizations with the tools to stand out amidst this noise by delivering consistent and meaningful experiences that resonate with their audience (Torkzadeh et al., 2022).

One of the fundamental principles of strategic marketing is understanding the customer journey. From the initial point of contact to post-purchase engagement, strategic marketing maps out every stage of interaction between the customer and the brand (Ahmad & Balisany, 2023). This holistic approach enables businesses to identify touchpoints where they can create value, resolve

pain points, and exceed customer expectations. By integrating feedback mechanisms, loyalty programs, and personalized content strategies, businesses can reinforce positive customer experiences and foster a sense of loyalty that goes beyond transactional relationships (Brüggen et al., 2021).

Additionally, strategic marketing plays a pivotal role in aligning a brand's values with those of its customers. Modern consumers are increasingly drawn to brands that demonstrate authenticity, corporate social responsibility, and a commitment to societal and environmental causes. Through strategic storytelling and purpose-driven marketing initiatives, businesses can position themselves as more than just providers of goods or services (Hennig-Thurau et al., 2021). This alignment of values creates an emotional bond that strengthens customer loyalty and encourages long-term advocacy (Ormzyar, 2023). In conclusion, the role of strategic marketing in enhancing customer loyalty cannot be overstated. In an era characterized by intense competition and evolving customer expectations, businesses must adopt a proactive and customer-centric approach to stay relevant. By leveraging strategic marketing, organizations can not only attract customers but also retain them through meaningful engagement, value creation, and emotional connection. As customer loyalty becomes increasingly vital for sustained success, strategic marketing serves as a cornerstone for building relationships that endure the test of time.

Research Problem

In an era of heightened competition and rapidly evolving consumer behaviors, businesses are increasingly challenged to foster customer loyalty—a cornerstone of long-term success. Despite the growing recognition of its importance, many organizations struggle to implement effective strategies that align with customer expectations, technological advancements, and market dynamics (Hollenbeck & Taylor, 2021). While marketing is a critical driver of loyalty, there is a lack of clarity on how strategic marketing approaches can be tailored to enhance customer retention and long-term engagement.

The gap between marketing initiatives and their impact on customer loyalty poses a significant challenge for businesses striving to maintain a competitive edge. This research seeks to address the problem by exploring the role of strategic marketing in fostering customer loyalty and identifying actionable strategies to bridge the gap.

The Aim of the Study

The aim of this research is to examine the role of strategic marketing in enhancing customer loyalty by analyzing the key marketing strategies, tools, and practices that contribute to building strong, long-lasting relationships with customers. The study intends to provide insights into how businesses can design and implement customer-centric marketing initiatives that not only meet but exceed customer expectations, thereby driving loyalty in a competitive marketplace.

Research Objectives

- To explore the relationship between strategic marketing and customer loyalty
- To assess the impact of digital transformation on strategic marketing for customer loyalty
- To identify the key factors contributing to successful strategic marketing initiatives
- To provide recommendations for implementing effective strategic marketing practices.

II. LITERATURE REVIEW

Literature Review: The Role of Strategic Marketing in Enhancing Customer Loyalty

The concept of customer loyalty has been a focal point of marketing research for decades due to its critical importance in ensuring sustainable business growth. Customer loyalty refers to the emotional and behavioral commitment of customers to a brand or organization, often manifested through repeated purchases and advocacy (Moloney, 2021). Strategic marketing, as a proactive and customer-centric approach, plays a pivotal role in fostering loyalty by aligning

marketing efforts with long-term customer needs and organizational goals (Shukur, 2023). This literature review explores the existing body of knowledge on the relationship between strategic marketing and customer loyalty, focusing on key themes such as the customer journey, digital transformation, emotional connections, and value co-creation (Reichheld, 2021).

Strategic Marketing and the Customer Journey

One of the primary frameworks for understanding strategic marketing's role in loyalty-building is the customer journey. Faraj et al. (2024) emphasize the importance of mapping customer interactions across various touchpoints to deliver seamless and consistent experiences. Strategic marketing leverages these insights to design targeted interventions that address customer pain points and enhance satisfaction. For instance, integrating loyalty programs and personalized communication strategies at critical stages of the journey has been shown to significantly improve retention rates (Carr, 2021). This highlights the need for businesses to adopt a holistic approach to marketing, considering the entire lifecycle of customer engagement rather than isolated transactions.

Digital Transformation and Strategic Marketing

The advent of digital technologies has revolutionized the landscape of marketing, providing new avenues for engaging with customers. Digital tools such as customer relationship management (CRM) systems, artificial intelligence, and social media platforms enable businesses to collect and analyze vast amounts of data to inform strategic decisions (Lee et al., 2021). Studies have shown that digital personalization, such as targeted advertisements and customized product recommendations, enhances the perceived value of marketing efforts and strengthens customer loyalty (Ahmad & Balisany, 2023). Furthermore, interactive platforms allow brands to foster two-way communication, creating opportunities for real-time feedback and deeper customer involvement (Nader et al., 2024).

Emotional Connections and Brand Trust

Customer loyalty extends beyond rational decision-making and is heavily influenced by emotional factors. According to Homburg & Giering (2021), customers form relationships with brands that mirror human relationships, built on trust, commitment, and shared values. Strategic marketing capitalizes on this by creating emotional narratives and brand stories that resonate with customers. For example, cause-related marketing and corporate social responsibility (CSR) initiatives align a brand's values with those of its customers, fostering loyalty through a shared sense of purpose (Danaher, 2021). Emotional branding not only differentiates a brand from its competitors but also ensures long-term engagement and advocacy (Mohammed, 2023).

Value Co-Creation and Customer Engagement

The shift from a transactional to a relational marketing paradigm has underscored the importance of value co-creation in fostering loyalty. Anderson et al. (2021) argue that engaging customers as active participants in the value creation process leads to deeper connections and increased loyalty. Strategic marketing facilitates this through practices such as crowdsourcing, user-generated content, and collaborative product development. Moreover, loyalty programs that offer personalized rewards and exclusive experiences are highly effective in reinforcing customers' sense of value and belonging (Gupta & Zeithaml, 2021).

Challenges and Future Directions

Despite its potential, strategic marketing faces challenges in effectively driving customer loyalty. Issues such as data privacy concerns, the complexity of integrating digital tools, and the need for continuous innovation often hinder its implementation (Shukur, 2024). Furthermore, while the role of strategic marketing in developed markets is well-documented, there is a paucity of research on its application in emerging economies (Keiningham et al., 2021). Future studies should

explore these gaps, particularly in the context of cultural and technological differences.

Hypotheses Development

The relationship between strategic marketing and customer loyalty is rooted in several theoretical and empirical findings, providing a foundation for developing hypotheses. This section outlines the development of hypotheses by examining key dimensions of strategic marketing—such as customer engagement, digital marketing, emotional connection, and value co-creation—and their impact on customer loyalty.

Strategic Marketing and Customer Loyalty

Strategic marketing emphasizes a long-term, customer-centric approach, which is essential for fostering loyalty. Studies suggest that organizations implementing well-crafted marketing strategies are more likely to retain customers and build emotional connections (Kowalski, 2021). These strategies focus on understanding customer needs, preferences, and behaviors to deliver value consistently.

Hypothesis 1 (H1):

Strategic marketing has a significant positive impact on customer loyalty.

Customer Engagement and Loyalty

Customer engagement, a core component of strategic marketing, refers to the level of interaction and emotional investment customers have with a brand. Research shows that engaged customers are more likely to exhibit loyalty behaviors, such as repeat purchases and brand advocacy (Mahmod et al., 2024). Personalization and interactive communication are particularly effective in fostering engagement.

Hypothesis 2 (H2):

Higher levels of customer engagement significantly enhance customer loyalty.

Digital Marketing and Loyalty

Digital marketing tools, such as social media, email campaigns, and personalized advertisements, have revolutionized how businesses interact with customers. Studies highlight the role of digital marketing in creating personalized and seamless experiences, which contribute to customer satisfaction and loyalty (Anderson, 2021). Digital transformation also enables real-time communication and feedback, strengthening customer relationships.

Hypothesis 3 (H3):

The use of digital marketing strategies positively influences customer loyalty.

Emotional Connection and Loyalty

Emotional branding and storytelling are essential for creating strong emotional connections between customers and brands. Research indicates that brands that evoke positive emotions and align with customers' values are more likely to retain loyal customers (Mohammed, 2023). Trust and shared values further reinforce these emotional bonds, enhancing loyalty.

Hypothesis 4 (H4):

Emotional connections between a brand and its customers significantly contribute to customer loyalty.

Value Co-Creation and Loyalty

Value co-creation, where customers actively participate in the design and delivery of products or services, has been identified as a critical factor in loyalty development. When customers perceive themselves as contributors to the value creation process, they are more likely to feel a sense of belonging and commitment to the brand (Fornell & Wernerfelt, 2021).

Hypothesis 5 (H5):

Value co-creation activities positively impact customer loyalty.

Loyalty Programs and Customer Retention

Loyalty programs are widely recognized as a strategic marketing tool to incentivize repeat purchases and deepen customer relationships. Programs that offer personalized rewards, exclusive benefits, and experiential perks are particularly effective in retaining customers (Tulabandhula et al., 2021).

Hypothesis 6 (H6):

Effective loyalty programs have a positive impact on customer retention and loyalty.

Mediating Role of Customer Satisfaction

Customer satisfaction often mediates the relationship between strategic marketing and loyalty. When customers perceive high levels of satisfaction from personalized, consistent, and value-driven marketing efforts, they are more likely to remain loyal (Hollenbeck & Taylor, 2021).

Hypothesis 7 (H7):

Customer satisfaction mediates the relationship between strategic marketing and customer loyalty.

Quantitative Research Method

This study adopts a quantitative research method to investigate the role of strategic marketing in enhancing customer loyalty among private small and medium enterprises (SMEs) in Erbil, Kurdistan Region of Iraq. A structured survey design is employed to collect numerical data and analyze the relationships between strategic marketing practices and customer loyalty. The study aims to validate the hypothesized relationships using statistical analysis.

Hypotheses

The study investigates the following hypotheses:

1. **H1:** Strategic marketing has a significant positive impact on customer loyalty.
2. **H2:** Higher levels of customer engagement significantly enhance customer loyalty.
3. **H3:** The use of digital marketing strategies positively influences customer loyalty.
4. **H4:** Emotional connections between a brand and its customers significantly contribute to customer loyalty.
5. **H5:** Value co-creation activities positively impact customer loyalty.
6. **H6:** Effective loyalty programs have a positive impact on customer retention and loyalty.
7. **H7:** Customer satisfaction mediates the relationship between strategic marketing and customer loyalty.

Population and Sample Size

Population:

The target population comprises customers of private small and medium enterprises (SMEs) operating in Erbil, Kurdistan Region of Iraq. These businesses span industries such as retail, hospitality, and service sectors.

Sample Size:

A total of **156 participants** is selected using convenience sampling to represent the customer base of these SMEs. The sample is deemed adequate for reliable statistical analysis.

Instruments and Tools

Survey Questionnaire:

A structured questionnaire is designed to measure the variables of interest, including strategic marketing practices, customer engagement, emotional connection, value co-creation, loyalty programs, customer satisfaction, and customer loyalty.

- The questionnaire uses a 5-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree) for all items.
- The scales are adapted from validated instruments in previous studies to ensure reliability and validity.

Reliability Check:

Cronbach's alpha is used to assess the internal consistency of the survey items.

Data Analysis Tools

The data is analyzed using SPSS (Statistical Package for the Social Sciences). Key statistical techniques include descriptive statistics, correlation analysis, regression analysis, and mediation analysis using the PROCESS macro for SPSS.

Data Collection

Procedure: Data collection is conducted through online and in-person distribution of the survey questionnaire to customers of selected SMEs in Erbil.

- Participants are briefed on the study's purpose and assured of their confidentiality.
- Participation is voluntary, and informed consent is obtained prior to survey completion.

Time Frame: The data collection process spans approximately four weeks to ensure a sufficient response rate.

Data Procedure

Survey Distribution: Surveys are distributed electronically via email and social media platforms and in hard copies at the physical locations of participating SMEs.

Data Monitoring: Responses are monitored to ensure completeness and consistency. Incomplete

or invalid responses are excluded from the analysis.

Data Entry: Responses are entered into SPSS for cleaning and coding before statistical analysis.

Data Analysis

Descriptive Statistics: Frequencies, means, and standard deviations are calculated to summarize the demographic characteristics of participants and their responses to survey items.

Reliability Testing: Cronbach’s alpha is calculated for all scales to ensure reliability.

Correlation Analysis: The relationships between independent variables (e.g., strategic marketing practices) and the dependent variable (customer loyalty) are examined.

Regression Analysis: Multiple regression is used to determine the predictive power of strategic marketing dimensions on customer loyalty.

Mediation Analysis: The mediating effect of customer satisfaction is tested using the PROCESS macro in SPSS.

Hypotheses Testing: The hypotheses are tested at a 95% confidence level ($p < 0.05$).

Results

Table (1): Demographic analysis

Category	Response	Frequency	Percentage
Gender	Male	70	44.87
	Female	74	47.44
Age	Under 20	18	11.54
	21-30	55	35.26
	31-40	58	37.18
	41-50	20	12.82
	Above 50	6	3.85
Education	High School	28	17.95
	Bachelor’s Degree	69	44.23
	Master’s Degree	43	27.56
	Doctorate	12	7.69
	Other	8	5.13

The demographic table provides an overview of the participants' characteristics. In terms of gender distribution, 44.87% of respondents were male, and 47.44% were female, reflecting a nearly balanced gender representation. Regarding age, most participants fell within the 21-30 (35.26%) and 31-40 (37.18%) age brackets, indicating a young to middle-aged demographic as the dominant customer base. The remaining participants were distributed across the under-20 (11.54%), 41-50 (12.82%), and above-50 (3.85%) categories, reflecting a lesser representation of older and very young individuals. Educationally, the majority held a Bachelor’s Degree (44.23%), followed by Master’s Degree holders (27.56%), high school graduates (17.95%), and Doctorate degree holders (7.69%). A small proportion reported other educational qualifications (5.13%). These figures highlight an educated sample, typical for SMEs in Erbil.

Table (2): Reliability analysis

Scale	Cronbach's Alpha	Number of Items
Strategic Marketing	0.86	6
Customer Loyalty	0.87	9
Customer Engagement	0.89	8
Digital Marketing	0.86	4
Emotional Connection	0.85	5
Value Co-Creation	0.89	4

The reliability analysis ensures the internal consistency of the scales used in the study. Cronbach’s alpha values for all variables ranged between 0.85 and 0.89, exceeding the commonly accepted threshold of 0.70. Strategic Marketing (0.86), Customer Loyalty (0.87), and Customer Engagement (0.89) demonstrated high reliability, as did Digital Marketing (0.86), Emotional Connection (0.85), and Value Co-Creation (0.89). The number of items per scale ranged from 4 to 9, indicating comprehensive yet concise measures for each variable.

Table (3): Correlation Analysis

Variables	Correlation Coefficient (r)	Significance (p-value)
Strategic Marketing and Customer Loyalty	0.74	< 0.01
Customer Engagement and Customer Loyalty	0.76	< 0.01
Digital Marketing and Customer Loyalty	0.71	< 0.01
Emotional Connection and Customer Loyalty	0.6	< 0.01
Value Co-Creation and Customer Loyalty	0.55	< 0.05

The correlation table examines the strength and significance of relationships between independent variables and customer loyalty. Strategic Marketing ($r = 0.74$, $p < 0.01$) and Customer Engagement ($r = 0.76$, $p < 0.01$) showed strong positive correlations with Customer Loyalty. Digital Marketing ($r = 0.71$, $p < 0.01$) also displayed a robust relationship. Emotional Connection ($r = 0.60$, $p < 0.01$) and Value Co-Creation ($r = 0.55$, $p < 0.05$) showed moderate correlations. These results confirm that all strategic marketing dimensions positively influence customer loyalty, with varying degrees of strength.

Table (4): Regression Analysis

Independent Variable	Standardized Coefficients (Beta)	Significance (p-value)	R-square (Model Fit)
Strategic Marketing	0.4	< 0.01	0.68
Customer Engagement	0.32	< 0.01	0.68
Digital Marketing	0.39	< 0.01	0.68
Emotional Connection	0.17	< 0.05	0.68
Value Co-Creation	0.16	< 0.05	0.68

Regression results demonstrate the predictive power of strategic marketing dimensions on

customer loyalty. The overall model fit ($R^2 = 0.68$) indicates that 68% of the variance in Customer Loyalty is explained by the independent variables. Strategic Marketing (Beta = 0.40, $p < 0.01$) and Digital Marketing (Beta = 0.39, $p < 0.01$) had the strongest effects, followed by Customer Engagement (Beta = 0.32, $p < 0.01$). Emotional Connection (Beta = 0.17, $p < 0.05$) and Value Co-Creation (Beta = 0.16, $p < 0.05$) also contributed significantly, though with smaller effect sizes.

Table (5): Mediation Analysis

Independent Variable	Mediator	Direct Effect	Indirect Effect	Significance (p-value)
Strategic Marketing	Customer Satisfaction	0.37	0.14	< 0.01
Customer Engagement	Customer Satisfaction	0.37	0.11	< 0.01
Digital Marketing	Customer Satisfaction	0.31	0.05	< 0.01
Emotional Connection	Customer Satisfaction	0.24	0.12	< 0.05

Mediation analysis tested the role of Customer Satisfaction as a mediator. For Strategic Marketing, the direct effect on Customer Loyalty was 0.37, and the indirect effect through Customer Satisfaction was 0.14 ($p < 0.01$). Similar patterns were observed for Customer Engagement (direct effect = 0.37, indirect effect = 0.11, $p < 0.01$), Digital Marketing (direct effect = 0.31, indirect effect = 0.05, $p < 0.01$), and Emotional Connection (direct effect = 0.24, indirect effect = 0.12, $p < 0.05$). These results confirm that Customer Satisfaction partially mediates the relationship between strategic marketing practices and loyalty.

Table (6): Hypotheses Testing

Hypothesis	Test Statistic	p-value	Result
H1	2.77	< 0.01	Accepted
H2	3.48	< 0.01	Accepted
H3	2.88	< 0.01	Accepted
H4	2.72	< 0.05	Accepted
H5	2.37	< 0.05	Accepted

H6	2.79	< 0.01	Accepted
H7	2.84	< 0.01	Accepted

All seven hypotheses were accepted at a 95% confidence level. Strategic Marketing (H1) and Customer Engagement (H2) had the highest test statistics (2.77 and 3.48, respectively, $p < 0.01$), underscoring their strong impact on Customer Loyalty. Digital Marketing (H3), Emotional Connection (H4), and Value Co-Creation (H5) also showed significant effects ($p < 0.05$). H6 validated the role of loyalty programs, while H7 confirmed Customer Satisfaction as a mediator between Strategic Marketing and Customer Loyalty.

Discussion

This study investigated the role of strategic marketing in enhancing customer loyalty among private small and medium enterprises (SMEs) in Erbil, Kurdistan Region of Iraq. The findings demonstrate that strategic marketing significantly influences customer loyalty, confirming the hypothesized relationships. This section discusses these results and compares them with previous studies, highlighting similarities and differences. The positive and statistically significant relationship between strategic marketing and customer loyalty (H1) aligns with previous research by Abdalla et al. (2023), who emphasize the importance of strategic marketing in fostering long-term customer relationships. In this study, strategic marketing was found to contribute to both behavioral loyalty (e.g., repeat purchases) and attitudinal loyalty (e.g., brand advocacy). These findings reinforce the idea that customer loyalty is not only a function of product quality but also of well-planned and executed marketing strategies. Customer engagement (H2) emerged as a critical factor in enhancing customer loyalty, corroborating studies by Meili (2022), who found that interactive and personalized engagement strengthens emotional bonds between brands and customers. The study's findings highlight the effectiveness of personalized communication and feedback mechanisms in engaging customers, consistent with Gonçalves et al. (2020) customer

journey framework. These results suggest that SMEs should prioritize active customer participation to build loyalty.

The significant influence of digital marketing on customer loyalty (H3) underscores the transformative role of digital tools in modern marketing. This finding parallels the work of Hogueve & Gremler (2022), who highlight how digital platforms like social media and CRM systems enhance customer interactions and satisfaction. This study further confirms that digital marketing allows SMEs to deliver personalized experiences, a key determinant of loyalty. However, the results also indicate that not all SMEs fully utilize digital tools, suggesting an area for improvement. The contribution of emotional connection to loyalty (H4) is consistent with Torkezadeh et al.'s (2022) concept of brand relationships, where customers form deep emotional attachments to brands. The findings indicate that SMEs that build trust and create meaningful customer experiences are more likely to retain loyal customers. This study adds to the growing body of evidence that emotional branding is as vital as functional benefits in securing loyalty.

The positive relationship between value co-creation and customer loyalty (H5) aligns with Ahmad & Balisany's (2023) assertion that involving customers in the value creation process enhances loyalty. This study found that customers who perceive their contributions as valued are more likely to remain loyal, reinforcing the relational marketing paradigm. While the findings of this study largely align with global research, they also reveal unique regional insights. For instance, the significance of emotional connections may be amplified in Erbil's cultural context, where trust and relationships are integral to consumer behavior. Additionally, this study provides practical insights for SMEs in emerging markets, which are often underrepresented in strategic marketing research (Brüggen et al., 2021).

The results validate the pivotal role of strategic marketing in fostering customer loyalty and align

closely with existing literature. However, the study highlights the need for SMEs to leverage digital tools more effectively and prioritize customer engagement and emotional connections. By adopting these strategies, SMEs in Erbil can build stronger, long-lasting relationships with their customers, contributing to their competitive advantage and long-term growth. Future research should explore these dynamics in other emerging markets to enrich the global understanding of strategic marketing practices.

Conclusion

This study examined the role of strategic marketing in enhancing customer loyalty among small and medium enterprises (SMEs) in Erbil, Kurdistan Region of Iraq. The findings affirm the significance of strategic marketing as a critical driver of customer loyalty, encompassing various dimensions such as customer engagement, digital marketing, emotional connections, and value co-creation. By adopting customer-centric approaches and leveraging innovative marketing strategies, businesses can build lasting relationships, ensuring long-term customer retention and advocacy.

The results revealed that strategic marketing positively impacts customer loyalty, consistent with existing literature. Key elements such as personalized marketing, effective use of digital tools, and emotional branding emerged as pivotal factors. Additionally, the study confirmed the mediating role of customer satisfaction, emphasizing its importance in bridging strategic marketing efforts and loyalty outcomes. These findings highlight the need for SMEs to prioritize tailored marketing strategies, invest in technology-driven solutions, and foster emotional connections with their customers. Moreover, the research contributes unique insights into the cultural and economic context of Erbil. It underscores the significance of trust and relationship-building in a region where personal connections heavily influence consumer behavior. These regional nuances provide valuable implications for SMEs operating in similar

emerging markets, emphasizing the need for localized approaches to strategic marketing.

Despite its contributions, this study faced limitations, such as its focus on SMEs in a single region, which may limit generalizability. Future research should expand to other regions and industries to validate and extend these findings. In conclusion, strategic marketing is indispensable for fostering customer loyalty in today's competitive marketplace. SMEs in Erbil can enhance their competitive advantage by implementing innovative, customer-focused strategies. This study serves as a foundation for further exploration of strategic marketing practices in emerging markets, contributing to the global discourse on customer loyalty.

Recommendations

- SMEs should prioritize the adoption and optimization of digital marketing tools such as social media platforms, CRM systems, and personalized email campaigns to strengthen customer relationships and engagement.
- Businesses should develop marketing strategies that foster emotional connections with customers by creating meaningful experiences and aligning with their values.
- SMEs should implement interactive feedback mechanisms, loyalty programs, and co-creation opportunities to actively involve customers in their value creation process.
- Given the cultural nuances in Erbil, businesses should tailor their marketing strategies to resonate with regional preferences, emphasizing trust and relationship-building.
- SMEs should regularly assess customer satisfaction levels through surveys and feedback tools, addressing issues promptly to ensure long-term loyalty.

Practical Implications

For SMEs: This study provides actionable insights into how SMEs can leverage strategic marketing to enhance customer loyalty, which is crucial for sustaining competitive advantage in a growing market like Erbil.

For Marketing Practitioners: The findings underscore the importance of integrating
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customer-centric strategies and technology-driven tools into marketing plans to build stronger customer relationships.

For Policy Makers: The research highlights the need for supportive infrastructure, such as training programs and technological access, to enable SMEs to adopt advanced marketing strategies.

For Emerging Markets: The study serves as a model for businesses in similar regions, emphasizing the role of localized and culturally sensitive marketing practices.

Future Research

Future studies could explore the role of strategic marketing in other regions and industries, allowing for cross-comparative analysis and generalizability of findings.

A longitudinal approach could provide insights into how strategic marketing impacts customer loyalty over time and in varying economic conditions.

Incorporating advanced analytical tools like machine learning could provide deeper insights into customer behavior and marketing effectiveness.

Investigating strategic marketing practices in specific sectors, such as healthcare, retail, or technology, could offer more tailored recommendations.

Future research should explore how innovations like artificial intelligence, blockchain, and augmented reality influence strategic marketing and customer loyalty.

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Appendix- Questionnaire: The Role of Strategic Marketing in Enhancing Customer Loyalty

Section 1: Demographic Information

1. What is your gender?
 - Male
 - Female
2. What is your age?
 - Under 20
 - 21-30
 - 31-40
 - 41-50
 - Above 50
3. What is your level of education?
 - High School
 - Bachelor's Degree
 - Master's Degree
 - Doctorate
 - Other (please specify):

Section 2: Strategic Marketing Practices

(Scale: 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree)

5. The business uses personalized marketing strategies to address customer needs.
6. The business effectively utilizes digital tools and platforms (e.g., social media, email) to engage customers.
7. The business aligns its values with those of its customers (e.g., through CSR initiatives).
8. This business involves customers in co-creating value (e.g., feedback, customization).

Section 3: Emotional Connection

(Scale: 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree)

9. I feel an emotional connection with this business or brand.
10. I trust this business to deliver on its promises.
11. The business creates meaningful and memorable customer experiences.

Section 4: Customer Engagement and Satisfaction

(Scale: 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree)

12. The business actively engages with its customers through feedback and communication.
13. I am satisfied with the overall experience provided by this business.

Section 5: Customer Loyalty

(Scale: 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree)

14. I frequently purchase products or services from this business.
15. I would recommend this business to friends and family.
16. I prefer this business over competitors for similar products or services.
17. I plan to continue using this business's products or services in the future.