

The Effectiveness of Digital Campaigns in Enhancing the Competitiveness of Local Products in the ASEAN

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Abstract

Digital campaigns offer micro, small, and medium enterprises (MSMEs) opportunities to expand market reach and strengthen the competitiveness of local products across ASEAN. However, the effectiveness of digital campaigns remains conditional, and existing studies rarely integrate campaign design, cultural authenticity, organizational capabilities, and ecosystem conditions into a single framework. This study examines how digital campaigns contribute to local-product competitiveness by synthesizing evidence on marketing performance, consumer responses, and the capabilities required to convert campaign engagement into business outcomes. An integrative literature review was conducted using scholarly studies and institutional sources published between 2022 and 2026. Ten scholarly studies and three institutional sources were selected and thematically synthesized. The findings indicate a moderate positive association between digital marketing and MSME performance (pooled $r = 0.37$ across 56 studies). Interactive formats, including live streaming and real-time communication, strengthen purchase intention, while culturally authentic content enhances consumer engagement. Nevertheless, digital adoption alone does not guarantee competitiveness. Organizational capabilities, particularly innovation, productivity, analytics, and digital marketing skills, condition campaign effectiveness. Evidence directly measuring local-product competitiveness across ASEAN countries remains limited. Effective digital campaigns require an integrated approach combining interactive campaign design, cultural authenticity, organizational capabilities, and supportive ecosystem conditions. MSMEs should strengthen branding, analytics, content planning, and account security before scaling campaigns. Future research should test the proposed framework using multi-country ASEAN data and direct measures of competitiveness, including sales, repeat purchases, and export performance.

Keywords: Digital Campaigns, Local Products, Competitiveness, ASEAN, MSMEs

1. Introduction

Micro, small, and medium enterprises (MSMEs) are the backbone of ASEAN economies. The ASEAN Secretariat (n.d.) reports about 70 million MSMEs that account for between 97.2% and 99.9% of establishments, 85% of employment, 44.8% of gross domestic product, and only 18% of exports. This gap between economic weight and export presence suggests that products of local MSMEs, such as food, crafts, fashion, and beauty products, are not yet fully competitive beyond their home markets.

Digital channels are the most visible route for closing this gap. The digital economy of Southeast Asia was projected to pass US\$300 billion in gross merchandise value in 2025, growing about 15% year on year across ten ASEAN markets (Google et al., 2025). A survey of 1,560 MSMEs in ten ASEAN markets found that 80% had expanded their use of digital tools over the previous two years, 70% saw these tools as a way to reach new markets, and 75%



wanted to build digital marketing capabilities (International Chamber of Commerce [ICC], 2022). Social commerce illustrates the scale of the shift: TikTok Shop Indonesia reportedly exceeded US\$6.2 billion in gross merchandise value in 2024, with roughly 80% of sales made through live streams (GoodStats, 2025; Katadata, 2024, as cited in Yuniar et al., 2026).

Whether such campaigns make local products more competitive is less clear. Firm-level studies generally link digital marketing to better performance (Deku et al., 2024; Purwanti et al., 2022), and a recent meta-analysis found a moderate positive association (Ukshini et al., 2025). Yet evidence from Vietnam's manufacturing sector suggests that digital technologies do not directly raise export performance unless they are backed by innovation and productivity (Mung & Minh, 2026). Much of the evidence on ASEAN local products also measures purchase intention or self-reported sales rather than competitiveness, and it is fragmented across single cities, platforms, and brands.

Three gaps follow. First, there is no integrative account of what an effective digital campaign means for local products in ASEAN. Second, campaign format, cultural content, and organizational capability are usually studied separately. Third, the strength of the evidence has rarely been appraised. This study addresses these gaps through an integrative review of research published between 2022 and 2026. It asks: (1) What does recent evidence show about the effectiveness of digital campaigns for MSME and local-product competitiveness? (2) Which campaign mechanisms and conditions explain variation in effectiveness? (3) What framework and propositions can guide future ASEAN research? The study contributes a conceptual framework, four testable propositions, and a critical appraisal of the evidence base.

2. Literature Review

2.1. Competitiveness of Local Products as a Capability-Contingent Outcome

Competitiveness of local products can be understood as the ability of an enterprise to win and keep customers against rival products, shown in sales, visibility, and access to new markets. A capability-based perspective holds that this ability depends less on possessing tools than on how firms turn resources into routines that create value (Mung & Minh, 2026). In digital marketing, this view treats the capacity to plan content, read analytics, interact with customers, and coordinate platforms as the real source of advantage. Fadilla et al. (2026) argue along these lines that MSME digital marketing is better treated as a problem of digital capability management than as the use of a single promotional channel. Purwanti et al. (2022) found that digital marketing capability improved MSME performance and that environmental dynamism strengthened the effect, which implies that capability pays off most when markets change quickly.

2.2. Digital Campaigns and Consumer Response

Digital campaigns work through stimuli that shape consumer perceptions and, in turn, buying intentions. Studies of live commerce in Indonesia draw on the Technology Acceptance Model, Social Presence Theory, and the stimulus–organism–response paradigm to explain this chain (Yuniar et al., 2026). In this logic, a live product demonstration or a real-time reply creates social presence and reduces uncertainty, which raises trust and purchase intention. Evidence from Vietnam is consistent: entertainment, information quality, interactivity, peer evaluations, and streamers all raised the purchase intention of Generation Z consumers, while perceived risk did not significantly deter them (Ngo et al., 2023). Culture adds a second channel. Strategies that use local languages, symbols, and traditional values raised consumer

engagement and the effectiveness of digital marketing in Indonesia and Malaysia (Mardatillah et al., 2025).

2.3. Previous Research

Prior research on digital marketing and performance is largely positive but uneven. In a survey of 178 Ghanaian SMEs, adoption of digital marketing improved business performance, with dynamism moderating the relationship (Deku et al., 2024). Indonesian studies report similar patterns at smaller scale: a descriptive survey of 42 SME owners in Palembang found that 76% used social media for marketing and that annual sales rose by 10% to 30% (Lestari et al., 2024). Work reviewed by Fadilla et al. (2026) adds that Instagram use raised MSME sales revenue (Tarso et al., 2025), that combining TikTok and Shopee strategies improved performance (Shofwan et al., 2025), and that innovation capability strengthened the effect of Instagram but not of TikTok or Facebook (Apidana & Rusvinasari, 2024) (all as cited in Fadilla et al., 2026).

For local products, positioning against global brands is a further issue. Conjoint experiments in Austria and India showed that consumers in the emerging market relatively preferred global products, whereas those in the developed market preferred local ones, with different willingness to pay (Davvetas et al., 2023). If this pattern extends to ASEAN, local products cannot rely on origin alone and need campaigns that build distinct value. Among nine MSME owners in Banda Aceh, cultural storytelling and customer loyalty emerged as the main strengths, while weak visual branding, limited analytics skills, and low cybersecurity awareness were persistent weaknesses (Fadilla et al., 2026). Taken together, the studies show positive associations but three limits. Most rely on perceptual measures and cross-sectional designs, most examine a single platform, city, or brand, and the one study that tested export outcomes directly found no direct digital effect (Mung & Minh, 2026). These limits motivate the integrative approach used here.

3. Methods

3.1. Research Design and Definitions

This study uses an integrative literature review, which combines empirical studies of different designs to build a conceptual account rather than to estimate a single effect. No primary data were collected. Effectiveness of a digital campaign was defined as the extent to which campaign activity is associated with improved consumer response (engagement, trust, purchase intention) or improved enterprise outcomes (sales, performance, export or market access). Competitiveness of local products was defined as the ability of MSME products to attract and keep customers against rival products, observed through the same outcomes. Because few studies measure competitiveness directly, these outcomes were treated as indicators, and their limits were noted in the appraisal.

3.2. Source Identification, Selection, and Analysis

Searches were run in October 2026 through open web search and publisher and repository platforms, using combinations of the terms digital marketing, social media marketing, live streaming, social commerce, MSME, SME, local products, competitiveness, export, ASEAN, Indonesia, Malaysia, and Vietnam. Sources were included when they (a) were published between 2022 and 2026, (b) examined digital marketing, social commerce, or digital capability in relation to consumer response or enterprise performance, (c) concerned MSMEs, local brands, or emerging markets, with priority given to Southeast Asia, and (d) reported enough about design and findings to be verified. Opinion pieces and sources without

verifiable bibliographic details were excluded. Ten scholarly studies and three institutional sources met these criteria. Bibliographic details were checked against publisher or repository pages. Findings were taken from open-access full texts where available and otherwise from abstracts, and effect sizes are reported as stated by the original authors. Studies described inside an included article are cited as secondary sources.

Context, design, sample, and key findings were compiled in a matrix. Findings were then coded inductively into themes, and the strength of the evidence was appraised by design, sample, outcome measure, and generalizability. The search was not an exhaustive database search and was not run under a registered protocol, which is acknowledged as a limitation.

4. Results and Discussion

4.1. Conceptual Framework of Effective Digital Campaigns

Figure 1 summarizes the framework derived from the review. Campaign design and cultural authenticity are the two campaign-side inputs. Campaign design covers the platform mix, interactive formats such as live streaming, and the use of micro-influencers and customer-generated content. Cultural authenticity covers local language, symbols, and storytelling. Together they shape consumer response, which in turn drives competitiveness in the form of sales, visibility, and market access. The link from consumer response to competitiveness is not automatic. It is conditioned by organizational capability (digital marketing capability, innovation, productivity, and analytics use) and by the ecosystem (platform algorithms, training, digital payments, and environmental dynamism). The propositions P1 to P4 are stated in the Discussion.

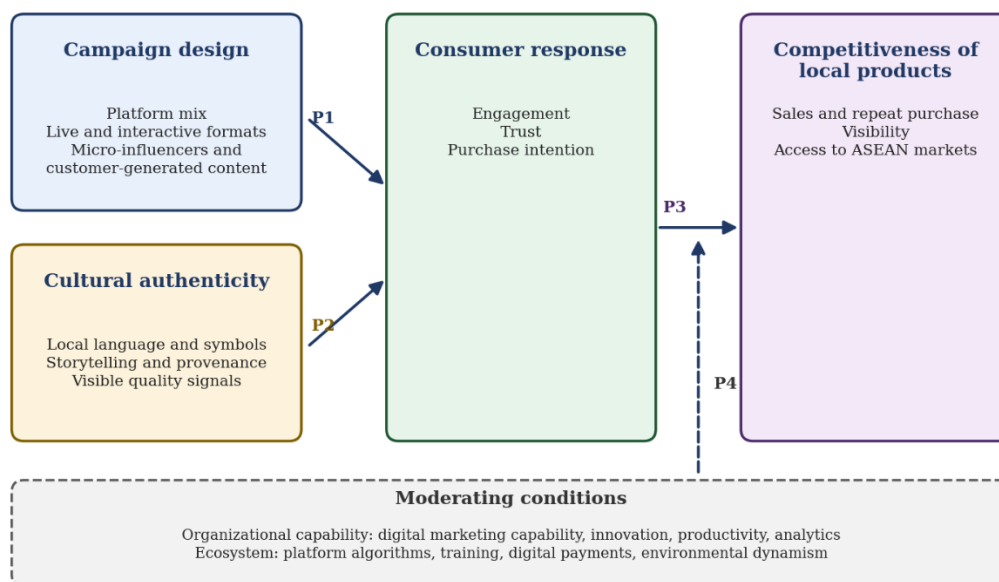


Figure 1. Conceptual framework of digital campaign effectiveness for local-product competitiveness (source: authors' synthesis of the reviewed studies)

4.2. Profile of the Reviewed Evidence

Table 1 profiles the ten scholarly studies. Seven are set in ASEAN countries (Indonesia, Malaysia, and Vietnam), and the other three provide emerging-market or cross-national comparison. Designs are mostly quantitative cross-sectional surveys, and samples range from nine interviewees to 56 pooled studies. No study in this corpus measures the competitiveness

of local products directly across several ASEAN countries, and none covers Thailand, the Philippines, or other ASEAN members.

Table 1. Profile of the reviewed scholarly studies

Source	Context	Design and sample	Key finding
Lestari et al. (2024)	Palembang, Indonesia	Descriptive survey; 42 SME owners	76% used social media for marketing; annual sales rose by 10–30%
Purwanti et al. (2022)	Lamongan, Indonesia	Quantitative; MSME owners and managers	Digital marketing capability improved performance; environmental dynamism strengthened the effect
Ngo et al. (2023)	Vietnam	PLS-SEM; 344 Gen Z consumers	Entertainment, information quality, interactivity, peer evaluations, and streamers raised purchase intention; streamers strongest, information quality weakest; perceived risk not significant
Deku et al. (2024)	Ghana (emerging market)	SEM; 178 SMEs	Adoption of digital marketing improved SME performance; dynamism moderated the link
Davvetas et al. (2023)	Austria and India	Conjoint experiments	Emerging-market consumers relatively preferred global products; developed-market consumers preferred local products
Mardatillah et al. (2025)	Indonesia and Malaysia	SEM-PLS; 200 respondents	Local language, symbols, and traditional values raised engagement and campaign effectiveness
Ukshini et al. (2025)	Multi-country	Meta-analysis; 56 studies (2010–2024)	Pooled $r = 0.37$; stronger for services than for manufacturing
Fadilla et al. (2026)	Banda Aceh, Indonesia	Qualitative SWOT; 9 MSME owners	Strengths: cultural storytelling, trend adaptability, loyalty; weaknesses: content planning, visual branding, analytics, cybersecurity
Yuniar et al. (2026)	Indonesia (local beauty brand)	SEM-PLS; 315 Gen Z viewers	Product try-ons (path coefficient 0.432) and real-time interaction (0.450) raised purchase intention; adjusted $R^2 = 0.661$
Mung & Minh (2026)	Vietnam manufacturing	Industry panel 2015–2023; 63 observations	Innovation ($\beta = 45.61$) and productivity ($\beta = 24.57$) raised exports; digital transformation, AI, and FDI had no significant direct effect

Note. β = coefficient as reported by the original authors; PLS-SEM = partial least squares structural equation modeling; SEM = structural equation modeling.

4.3. Thematic Synthesis

Four themes emerged from the coding (Table 2). Each links the evidence to what it implies for local products in the ASEAN market.

Table 2. Thematic synthesis of the reviewed evidence

Theme	Evidence	Implication for local products in ASEAN
Performance outcomes	Positive associations with performance (Deku et al., 2024; Lestari et al., 2024; Purwanti et al., 2022; Ukshini et al., 2025); effect larger for services than for manufacturing (Ukshini et al., 2025)	Digital campaigns are broadly useful, but craft, food, and manufactured goods may gain less per campaign than services
Campaign mechanisms	Live demonstration, real-time interaction, and credible streamers raised purchase intention (Ngo et al., 2023; Yuniar et al., 2026)	Interactive formats reduce uncertainty about quality and suit small local brands with limited budgets
Cultural relevance	Local language, symbols, and storytelling raised engagement (Fadilla et al., 2026; Mardatillah et al., 2025); emerging-market consumers may favor global products (Davvetas et al., 2023)	Cultural authenticity is a differentiator, not a substitute for visible quality

Theme	Evidence	Implication for local products in ASEAN
Capability conditions	Capability and dynamism moderated effects (Deku et al., 2024; Purwanti et al., 2022); innovation and productivity, not digital transformation, explained exports (Mung & Minh, 2026); weak analytics, branding, and security (Fadilla et al., 2026)	Campaign spending yields competitiveness only when backed by capability; training and basic digital hygiene come first

Note. Authors' synthesis of the ten reviewed studies.

4.4. Discussion

The evidence supports a cautious yes to the question of effectiveness. A pooled correlation of 0.37 across 56 studies indicates a moderate association between digital marketing and SME performance, and the authors report little heterogeneity, which suggests a fairly stable pattern across settings (Ukshini et al., 2025). Yet an association of this size leaves most variation in performance unexplained, and the industry result deserves attention. Local products are often crafts, foods, or manufactured goods, and manufacturing benefited less than services. A campaign cannot replace product quality, supply reliability, or order fulfillment.

The evidence on mechanisms points to interaction rather than exposure. In both Indonesia and Vietnam, formats that let consumers see the product and talk to the seller raised purchase intention, and the streamer mattered more than information quality in the Vietnamese study (Ngo et al., 2023; Yuniar et al., 2026). For small local brands that cannot match the advertising budgets of established competitors, this is encouraging because live and community-based formats are relatively inexpensive. However, these studies measure intention among young, digitally active consumers, and one examines a single brand. Intention is not purchase, and purchase is not competitiveness.

Cultural content is the most promising differentiator but the least tested. Culturally relevant messages raised engagement (Mardatillah et al., 2025), and cultural storytelling was the strength most often named by MSME owners in Banda Aceh (Fadilla et al., 2026). The finding that consumers in an emerging market may prefer global products (Davvetas et al., 2023) suggests that cultural authenticity should be paired with clear quality signals such as reviews, demonstrations, and consistent visual branding. Because ASEAN markets differ in language, religion, and platform use, culturally effective campaigns are unlikely to travel unchanged across borders.

The strongest caution comes from the capability evidence. In Vietnam's industry-level data, digital transformation and AI adoption had no significant direct effect on export performance, whereas innovation and labor productivity did (Mung & Minh, 2026). This is consistent with the view that campaigns amplify existing strengths. In Banda Aceh, owners with strong cultural stories still lacked content planning, analytics skills, and account security (Fadilla et al., 2026), and three in four ASEAN MSMEs surveyed by the ICC (2022) wanted to build digital marketing capabilities, which suggests that skills are a widely felt need. The Vietnamese result is industry-level and does not test campaigns directly, so it is best read as a warning rather than a verdict.

On this basis, four propositions are offered for empirical testing in ASEAN.

P1. Interactive campaign formats (live demonstration, real-time interaction, credible streamers) produce a stronger consumer response for local products than static promotion.

P2. Cultural authenticity strengthens the effect of campaign design on consumer response, especially when combined with visible quality signals.

P3. The effect of consumer response on the competitiveness of local products is conditional on organizational capability, namely digital marketing capability, innovation, and productivity.

P4. Ecosystem conditions moderate effectiveness: environmental dynamism and digital payment adoption amplify it, whereas dependence on a single platform and weak account security erode it.

The findings carry practical implications. MSME owners should build content routines, basic analytics, brand guidelines, and account security before scaling paid campaigns. Policymakers and ASEAN programs should pair digital onboarding with training in branding, analytics, and cybersecurity, and should evaluate outcomes such as sales, repeat purchase, and export inquiries rather than platform activity. Platforms and campaign partners should offer formats and metrics that small local brands can sustain.

4.5. Limitations and Future Research

This review has several limits. The search was neither exhaustive nor registered, so relevant studies may be missing, and some findings were taken from abstracts. Seven of ten studies come from only three ASEAN countries. Most designs are cross-sectional and rely on self-reported or intention measures, and the framework is conceptual and untested. Future studies should use multi-country ASEAN samples, measure competitiveness directly through sales, repeat purchase, and export orders, draw on platform data and longitudinal or quasi-experimental designs, and test the moderating roles of capability and culture.

5. Conclusion

Digital campaigns appear to be moderately effective in strengthening the competitiveness of local products in the ASEAN market, but the effect is conditional rather than automatic. The reviewed evidence shows that interactive formats and culturally grounded content raise engagement and purchase intention, while organizational capability determines whether these gains become lasting competitiveness. The study offers a conceptual framework and four propositions that connect campaign design, cultural authenticity, capability, and ecosystem conditions. MSME owners should strengthen content routines, analytics, branding, and account security before scaling campaigns, and policymakers should pair digital onboarding with capability training and outcome-based evaluation. Future research should test the propositions with multi-country ASEAN data that measure competitiveness directly.

5.1. Declaration of Generative AI

During the preparation of this manuscript, the authors used Grammarly Application and QuillBot to improve the clarity, readability, and language accuracy of the text. Output generated by the tools was carefully reviewed and edited by the authors, who take full responsibility for the content of this article. All substantive intellectual contributions, including conceptualization, analysis, interpretation of data, and final decisions regarding content, arguments, and conclusions, were carried out solely by the authors. The authors take full responsibility for the integrity, originality, and academic quality of this article.

5.2. Declaration of Conflicting Interests

The authors declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

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