The Impact of Multichannel Marketing Strategy Implementation, HR Skills, and Customer Experience on Increased Sales in Small and Medium Enterprises

Adih Supriadi[1], Ani Kusumaningsih[2], Arief Yanto Rukmana[3], Bambang Eko Prayetno[4]
[1]Universitas Sultan Ageng Tirtayasa
[2]Universitas Pamulang
[3]Sekolah Tinggi Ilmu Ekonomi STAN IM
[4]Universitas Muhammadiyah Mahakarya Aceh

Article Info	ABSTRACT
	This study investigates the impact of multichannel marketing strategy implementation, human resource (HR) skills, and customer experience on increasing sales in small and medium enterprises (SMEs). Employing a quantitative research approach, data were collected from 190 SME representatives using a 5-point Likert scale and analyzed with Structural Equation Modeling-Partial Least Squares (SEM-PLS 3). The findings reveal that all three factors—multichannel marketing strategy, HR skills, and customer experience—have a positive and significant effect on sales performance. Among them, HR skills exhibit the strongest influence, followed by multichannel marketing strategy and customer experience. These results underscore the importance of integrating effective marketing strategies, enhancing HR competencies, and delivering superior customer experiences to drive sales growth in SMEs. The study provides valuable insights for SME practitioners and policymakers, emphasizing the need for a holistic approach to improving business performance through strategic investments in marketing, HR, and customer experience. *This is an open access article under the CC BY-SA license.*

Corresponding Author:

Name: Adih Supriadi
Institution: Universitas Sultan Ageng Tirtayasa
e-mail: adihs84@untirta.ac.id

1. INTRODUCTION

Small and Medium Enterprises (SMEs) are pivotal to economic development, contributing significantly to job creation, innovation, and overall economic growth across various countries. Despite their importance, SMEs often encounter substantial challenges in scaling operations and sustaining growth due to limited resources, intense competition, and rapidly evolving market conditions. Effective marketing strategies are essential for SMEs to enhance their visibility and competitiveness in the market. For instance, the internationalization of SMEs in emerging markets can provide substantial growth opportunities, although it requires strategic planning and execution to overcome associated challenges [1]. Additionally, the development of human resource (HR) skills is crucial for addressing

internal challenges, such as those faced by Chinese SMEs, where effective HR management can significantly impact their growth and stability [2]. Enhancing customer experience is another critical factor, as it directly influences customer retention and satisfaction, thereby driving sales and ensuring long-term success. In South Africa, for example, SMEs not only create new jobs but also absorb laid-off workers, highlighting their role in sustainable development and economic resilience [3]. Similarly, in India, SMEs contribute significantly to GDP, exports, and employment, but they face obstacles like inadequate infrastructure and funding, which can be mitigated through supportive government initiatives and strategic business practices [4]. The interconnected pillars of competitiveness, resilience, and sustainability form a comprehensive framework for SME development and growth, underscoring the need for a holistic approach to overcoming challenges and leveraging opportunities [5].

The adoption of multichannel marketing strategies is crucial in today's digital economy, as it enables SMEs to engage with consumers across various platforms, including social media, websites, and physical stores, thereby broadening their audience reach and enhancing customer engagement. This approach not only boosts brand visibility but also ensures a cohesive brand narrative across diverse touchpoints, creating a seamless shopping experience for customers [6]. In the retail sector, the implementation of an omni-channel strategy is particularly transformative, as it aims to achieve consistency across all channels, ultimately fostering customer satisfaction and loyalty [7]. The evolution of multichannel marketing has seen the integration of digital and physical channels into business models, mapping customer journeys, and forming seamless customer experiences, which are essential for effective product and brand promotion [8]. For SMEs, digital marketing is a strategic tool that enhances visibility and market reach through website optimization, social media, and SEO strategies, significantly contributing to sales growth [9]. However, the successful

implementation of multichannel marketing requires SMEs to overcome challenges such as limited resources and a lack of understanding of digital marketing. This necessitates training and support to develop the necessary skills and strategies tailored to the SME business model [9]. Additionally, the role of advanced digital marketing communication channels, including mobile technologies and social media, is pivotal in selecting appropriate marketing strategies and adapting to the dynamic digital landscape [10]. Despite the resource-intensive nature of integrated marketing initiatives, which demand careful budget allocation and skilled personnel, the potential for leveraging cross-promotion and data-driven strategies to amplify campaign outcomes presents promising opportunities for SMEs to thrive in the digital era [6].

HR skills are indeed crucial for SMEs to maximize their marketing efforts and enhance customer experience, which is a key driver of customer satisfaction, loyalty, and sales performance. High-quality human resources are invaluable assets for any organization, and their development should encompass both technical and soft skills to adapt to new technologies and manage customer relationships effectively [11]. In SMEs, the expertise of Talent Management (TM) and Human Resource Management (HRM) practices is essential for identifying, nurturing, and retaining qualified workers, which forms the core structure of organizational strength and supports strategic alignment between marketing initiatives and customer needs [12]. Adopting a strategic human resource management (SHRM) approach can improve dynamic capabilities and promote greater innovation, which indirectly enhances customer experience through improved service delivery and responsiveness to market changes [13]. Key HR practices such as training and development, employee performance evaluation, and rewards are critical for firm performance in SMEs, as they ensure that employees are well-equipped to meet customer expectations and deliver high-quality service [14]. Moreover, positive HR practices like attractive remuneration

packages, better training programs, and employee involvement significantly impact the effectiveness of strategic actions, thereby contributing to a stronger brand reputation and increased sales [15].

This study aims to explore the impact of multichannel marketing strategy implementation, HR skills, and customer experience on increasing sales in SMEs.

2. LITERATURE REVIEW

2.1 Multichannel Marketing Strategy

Multichannel marketing strategy has indeed become a focal point for businesses aiming to enhance their customer engagement and reach. This approach leverages various communication channels, including online websites, social media, email marketing, and physical stores, to create a cohesive and seamless customer experience. The integration of digital and physical channels into a company's business model is crucial for constructing relevant business processes, identifying touchpoints, and mapping the customer journey, which transforms the consumer journey from a linear to a looped one, emphasizing previous experiences and loyalty as key decision-making factors [8]. The adoption of advanced digital marketing communication channels, particularly smartphone-based mobile technologies, plays a significant role in this strategy, as it allows marketers to be more adaptive and responsive to consumer needs [16]. In developing markets, such as Jordan, multichannel marketing strategies are essential for low-cost consumer product goods (CPGs) firms. These strategies often focus on traditional marketing channels like print and television, while also incorporating online channels, albeit to a lesser extent due to the market's developmental stage [17]. The evolution of multichannel marketing into cross-channel and omnichannel approaches further enhances the interaction between companies and consumers by integrating these channels more seamlessly, thus providing a more unified customer experience [8]. Retailers must carefully decide the number and type of channels to use, balancing between online and offline presence to optimize their reach and effectiveness [18].

2.2 Human Resource (HR) Skills

Human resource skills are indeed critical for the successful implementation of multichannel marketing strategies and overall business performance, especially for SMEs that often operate with limited staff. Effective HR management in this context involves a blend of technical skills, communication abilities, and customer relationship management. The integration of digital competencies within HRM is particularly vital, as it enables the efficient use of digital tools and platforms, which are essential for executing multichannel marketing strategies [19]. For SMEs, developing these competencies can lead to significant benefits, such as increased creativity, adaptability to changing trends, and enhanced competitiveness in the digital marketing era [20]. Moreover, investing in human resource training and development is crucial for maintaining competitive advantages in a globalized and high-tech economy, as it ensures that employees are well-equipped to meet customer needs and manage the complexities of multichannel marketing [21]. High-quality HR represents invaluable assets for any organization, and continuous enhancement of both technical and soft skills is necessary to confront rapidly evolving business challenges and achieve corporate objectives [11]. The strategic role of HRM in talent acquisition, retention, and fostering a culture of innovation and agility further underscores its importance in driving organizational success and sustainability [4]. Therefore, SMEs must prioritize HR development strategies, including digital training programs and the recruitment of tech-savvy personnel, to cultivate a digitally competent workforce capable of navigating and thriving in a technologically driven business landscape [19], [20].

2.3 Customer Experience

Customer experience (CX) has indeed become a pivotal element in modern marketing strategies, significantly influencing customer satisfaction, loyalty, and sales. Research underscores the importance of

various CX dimensions such as personalization, omnichannel integration, and emotional engagement in fostering brand loyalty, particularly in the digital age [22]. In the hospitality industry, studies have shown that high-quality service, unique experiences, and effective social media marketing are crucial for enhancing customer satisfaction and loyalty [23]. For instance, at Villa Kembali in Seminyak, Bali, customer loyalty is driven by memorable guest experiences and top-notch service quality [23]. Similarly, in the context of fast fashion, experiential marketing elements like 'sense' and 'relate' have a direct positive effect on customer loyalty, while 'feel,' 'think,' and 'act' influence loyalty indirectly through customer satisfaction [24]. This highlights the nuanced ways in which different aspects of CX contribute to loyalty. Additionally, the role of customer relationship management (CRM) in maintaining customer satisfaction and loyalty is evident in the practices of Tube Products of India, where personalized communication and effective inventory management are key strategies [25]. Furthermore, research on the hospitality sector, such as the study on Aston Pontianak Hotel, reveals that while customer experience may not always have a statistically significant direct effect on consumer satisfaction, it positively impacts consumer loyalty, which in turn enhances satisfaction [26].

2.4 Theoretical Framework

This study is grounded in the Resource-Based View (RBV) theory, which posits that a firm's competitive advantage is derived from its unique resources and capabilities [27]. In the context of SMEs, the resources include multichannel marketing strategies, HR skills, and the ability to deliver superior customer experience. The RBV suggests that these resources, when effectively managed and integrated, can lead to sustained competitive advantage and improved sales performance [27]. Additionally, this study draws on the Technology Acceptance Model (TAM) to explore how SMEs adopt and implement multichannel marketing strategies, emphasizing the role of perceived ease of use and perceived usefulness in influencing adoption decisions [28].

2.5 Previous Empirical Studies

The relationship between marketing strategies, HR skills, customer experience, and business performance is well-documented across various empirical studies. For instance, [29] research on SMEs in Guangdong Province highlights the importance of comprehensive HR strategies, including effective leadership and ongoing professional development, in enhancing employee productivity and retention, which indirectly supports better customer experience and business performance [1]. Similarly, [30] study in the retail grocery sector underscores the significance of HR practices such as performance evaluation, training, and development in fostering knowledge sharing, which is crucial for operational excellence and customer satisfaction. [31] further emphasize that a well-developed HRM strategy positively impacts company profitability, with significant investments in employee training and development leading to improved labor productivity and, consequently, better customer service and business outcomes. [32] qualitative research reveals that strategic HRM practices, such as talent management and inclusive workplace policies, significantly enhance employee engagement, which in turn drives superior organizational performance and customer experience. Lastly, [33] study on the hotel industry in Indonesia demonstrates that strategic HR management, particularly in human capital management and adaptive e-procurement systems, significantly boosts organizational performance and competitiveness, thereby enhancing customer experience and sales performance. Collectively, these studies affirm that integrating robust HR capabilities with strategic marketing initiatives is essential for optimizing customer experience and achieving higher sales and business performance.
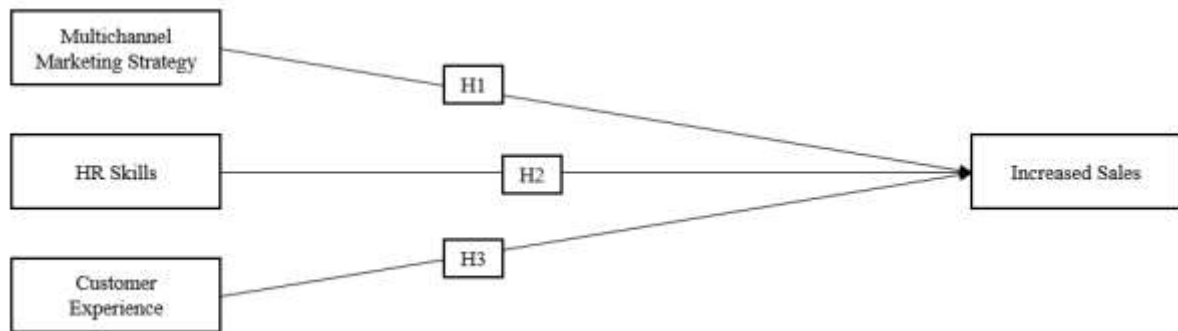
Figure 1. Framework

Based on the literature review and theoretical framework, the following hypotheses were tested:

H1: Multichannel marketing strategy implementation has a positive and significant impact on sales performance in SMEs.

H2: HR skills have a positive and significant impact on sales performance in SMEs.

H3: Customer experience has a positive and significant impact on sales performance in SMEs.

2.6 Research Gap

Despite the extensive research on the individual impacts of multichannel marketing, HR skills, and customer experience on business performance, there is a paucity of studies that examine these factors collectively, particularly in the context of SMEs. Most existing studies focus on large enterprises, leaving a gap in understanding how these factors interplay to influence sales growth in SMEs. This study seeks to fill this gap by providing empirical evidence on the combined impact of multichannel marketing strategy implementation, HR skills, and customer experience on increasing sales in SMEs.

3. METHODS

3.1 Research Design

This study employs a quantitative research design to investigate the impact of multichannel marketing strategy implementation, HR skills, and customer experience on increasing sales in small and medium enterprises (SMEs). The research design is structured to test the hypothesized relationships between the variables using statistical analysis, providing empirical evidence to support or refute the proposed model. The study adopts a cross-sectional approach, collecting data at a single point in time from a sample of SMEs.

3.2 Population and Sample

The population for this study comprises small and medium enterprises operating in various sectors across Indonesia. The selection of SMEs as the focus of this research is based on their significant role in the Indonesian economy and the unique challenges, they face in implementing effective marketing strategies and managing customer experience. A sample of 190 SMEs was selected using a non-probability purposive sampling technique. The sample was chosen based on the SMEs' engagement in multichannel marketing practices and their willingness to participate in the study. The sample size of 190 was deemed sufficient to provide robust statistical power for the analysis conducted using Structural Equation Modeling with Partial Least Squares (SEM-PLS 3).

3.3 Data Collection

Data were collected through a structured questionnaire distributed to the selected SME representatives, including owners, managers, and marketing professionals. The questionnaire was designed to measure the variables of interest: multichannel marketing strategy implementation, HR skills, customer experience, and sales performance. Each item on the questionnaire was rated on a 5-point Likert scale, with responses ranging from 1 ("Strongly Disagree") to 5 ("Strongly Agree"). The use of a Likert scale allowed

for the quantification of respondents' perceptions and provided a standardized measure for statistical analysis.

3.4 Measurement of Variables

Multichannel Marketing Strategy Implementation: This variable was measured using a set of items that assessed the extent to which SMEs utilized various marketing channels, such as social media, websites, email marketing, and physical stores [34], [35]. The items were adapted from existing scales in the literature, ensuring reliability and validity.

HR Skills: HR skills were measured by items evaluating the competencies of the HR team in areas such as customer relationship management, digital marketing skills, and employee training [36]–[38]. The scale items were designed to capture the overall skill level of HR personnel in supporting multichannel marketing efforts.

Customer Experience: Customer experience was assessed through items that reflected the quality of customer interactions across different channels, customer satisfaction, and the overall perception of the brand. The scale was based on widely accepted measures of customer experience in the marketing literature [39], [40].

Sales Performance: Sales performance was the dependent variable and was measured by items that captured changes in sales volume, revenue growth, and customer retention rates over the past year [41]–[43]. The respondents were asked to rate the extent to which they observed improvements in sales performance as a result of their marketing strategies and HR practices.

3.5 Data Analysis

Data were analyzed using Structural Equation Modeling with Partial Least Squares (SEM-PLS 3), a powerful statistical technique that allows for the simultaneous estimation of multiple relationships between the observed and latent variables. SEM-PLS is particularly suitable for this study due to its ability to handle complex models with multiple indicators and its robustness in the presence of small to medium sample sizes.

Measurement Model Assessment: The measurement model was evaluated for reliability and validity. Composite reliability (CR) and Cronbach's alpha were used to assess the internal consistency of the scales, with values above 0.7 indicating acceptable reliability. Convergent validity was assessed using the Average Variance Extracted (AVE), with a threshold of 0.5, while discriminant validity was evaluated using the Fornell-Larcker criterion.

Structural Model Assessment: The structural model was assessed to test the hypothesized relationships between multichannel marketing strategy implementation, HR skills, customer experience, and sales performance. Path coefficients were estimated, and their significance was determined using bootstrapping procedures with 5,000 resamples. The R-squared (R^2) values were calculated to determine the proportion of variance explained by the independent variables, while the predictive relevance of the model was assessed using the Stone-Geisser Q^2 statistic.

4. RESULTS AND DISCUSSION

4.1 Descriptive Statistics

The data collected from the 190 SME representatives were analyzed to understand the overall trends in multichannel marketing strategy implementation, HR skills, customer experience, and sales performance. The descriptive statistics showed that the respondents generally rated their multichannel marketing strategy implementation positively, with a mean score of 4.1 on the 5-point Likert scale, indicating a strong adoption of various marketing channels. HR skills were also rated favorably, with a mean score of 4.0, reflecting the respondents' confidence in their HR teams' abilities to support marketing and customer

engagement efforts. Customer experience received a mean score of 4.2, suggesting that SMEs are largely successful in delivering positive experiences to their customers. The sales performance variable showed a mean score of 4.3, indicating that the respondents have observed improvements in their sales figures, potentially as a result of their marketing and HR practices.

The demographic characteristics of the 190 SME representatives who participated in this study were analyzed to provide context for the research findings, including key variables such as gender, age, educational background, job position, years of experience in the industry, sector of industry, and company size. The gender distribution was relatively balanced, with 53.7% male and 46.3% female respondents, ensuring diverse perspectives. The majority of respondents (41.1%) were aged 30-39 years, suggesting that the sample primarily consisted of individuals in the early to mid-stages of their careers. Educationally, 50.5% of the

respondents held a Bachelor's degree, indicating a strong educational foundation among participants. In terms of job position, 40.5% were managers, followed by 30.5% who were owners/founders, highlighting a focus on leadership roles. The majority of respondents (43.2%) had 5-10 years of industry experience, reflecting substantial exposure to SME operations. The sample also represented various industry sectors, with retail (31.6%), manufacturing (27.4%), and services (25.3%) being the most common. Lastly, 44.7% of respondents worked in SMEs with 10-49 employees, which is typical for the sector and indicates a focus on businesses with significant growth potential.

4.2 Measurement Model Assessment

In this section, the measurement model is evaluated to determine the reliability and validity of the constructs used in the study. The analysis includes an assessment of the loading factors, Cronbach's alpha (CA), composite reliability (CR), and average variance extracted (AVE) for each construct.

Table 1. Validity and Reliability

Variable	Code	Loading Factor	CA	CR	AVE
Multichannel Marketing Strategy	MMS.1	0.751	0.901	0.921	0.660
	MMS.2	0.850			
	MMS.3	0.853			
	MMS.4	0.791			
	MMS.5	0.798			
	MMS.6	0.827			
HR Skills	HRS.1	0.855	0.856	0.890	0.619
	HRS.2	0.811			
	HRS.3	0.769			
	HRS.4	0.759			
	HRS.5	0.736			
Customer Experience	CE.1	0.831	0.887	0.914	0.682
	CE.2	0.779			
	CE.3	0.870			
	CE.4	0.854			
	CE.5	0.790			
Increased Sales	IS.1	0.871	0.883	0.928	0.811
	IS.2	0.899			
	IS.3	0.931			

The constructs of Multichannel Marketing Strategy (MMS), HR Skills (HRS), Customer Experience (CE), and Increased

Sales (IS) were all evaluated for their reliability and validity through various statistical measures. The MMS construct was

measured with six indicators, showing loading factors between 0.751 and 0.853, a Cronbach's Alpha of 0.901, composite reliability of 0.921, and an AVE of 0.660, confirming the construct's strong relationship with its indicators. Similarly, the HRS construct, measured with five indicators, exhibited loading factors from 0.736 to 0.855, a Cronbach's Alpha of 0.856, composite reliability of 0.890, and an AVE of 0.619, ensuring the construct's reliability. The CE construct, also measured with five indicators, had loading factors between 0.779 and 0.870, a Cronbach's Alpha of 0.887, composite reliability of 0.914, and an AVE of 0.682, validating its robustness. Lastly, the IS construct, with three indicators, displayed the highest loading factors ranging from 0.871 to 0.931, a Cronbach's Alpha of 0.883, composite reliability of 0.928, and an AVE of 0.811, indicating exceptional reliability and validity. Overall, all constructs were confirmed to be both reliable and valid, with their indicators contributing significantly to the measurement of each construct.

4.3 Discriminant Validity Assessment

Discriminant validity is an important aspect of construct validity that ensures that each construct in the model is distinct and not highly correlated with other constructs. It indicates that a construct measures what it is intended to measure and not something else. In this study, discriminant validity was assessed using the Fornell-Larcker criterion, which compares the square root of the Average Variance Extracted (AVE) for each construct with the correlations between constructs. Discriminant validity is confirmed if the square root of the AVE for each construct is greater than the corresponding inter-construct correlations.

Table 2. Discriminant Validity

	Customer Experience	HR Skills	Increased Sales	Multichannel Marketing Strategy
Customer Experience	0.826			
HR Skills	0.876	0.787		
Increased Sales	0.808	0.801	0.701	
Multichannel Marketing Strategy	0.826	0.829	0.802	0.812

The analysis of the square root of the AVE for the constructs revealed potential issues with discriminant validity. For Customer Experience, the square root of the AVE is 0.826, which is higher than its correlations with Increased Sales and Multichannel Marketing Strategy, but lower than its correlation with HR Skills (0.876), indicating a potential overlap between these two constructs. Similarly, HR Skills, with a square root of the AVE at 0.787, shows higher correlations with Customer Experience (0.876) and Multichannel Marketing Strategy (0.829), further suggesting that HR Skills may not be entirely distinct from these constructs.

Increased Sales also exhibited a square root of the AVE (0.701) lower than its correlations with the other constructs, particularly Customer Experience, HR Skills, and Multichannel Marketing Strategy, indicating a lack of distinctiveness. Lastly, the square root of the AVE for Multichannel Marketing Strategy is 0.812, which is only slightly higher than its correlation with Increased Sales and nearly equal to its correlations with Customer Experience and HR Skills, reinforcing the concern regarding discriminant validity among these constructs.
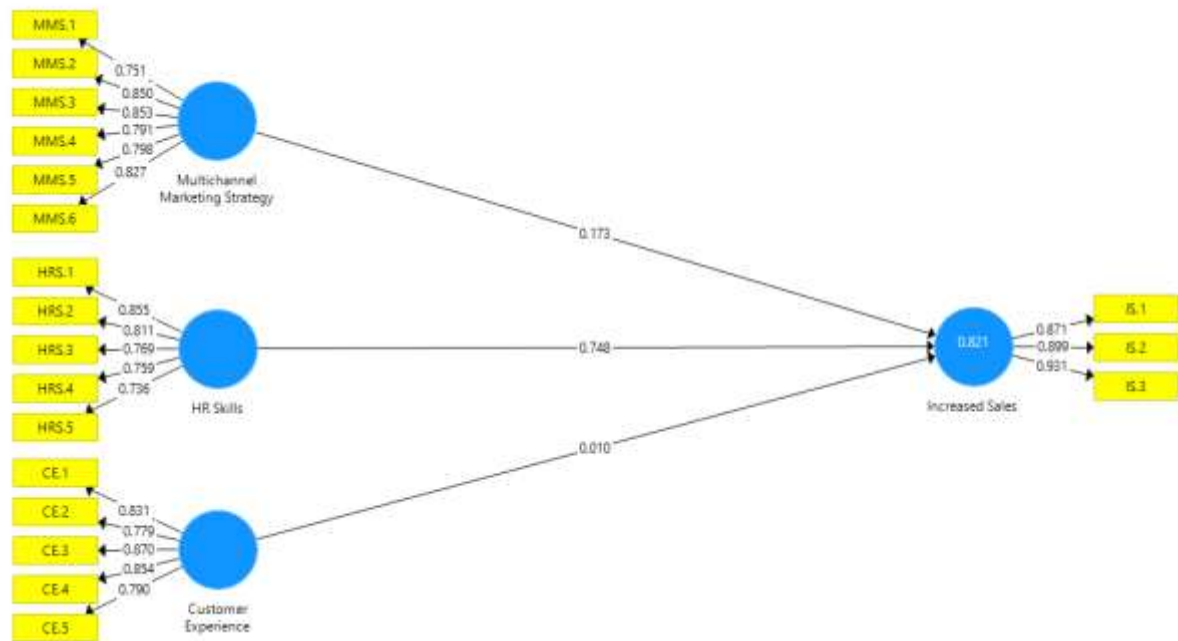
Figure 2. Model Internal

4.4 Model Fit

The model fit assessment is a crucial step in evaluating the adequacy of the structural equation model (SEM) used in this study, determining how well the hypothesized model represents the collected data. Various fit indices, including the Chi-square (χ^2) statistic, RMSEA, CFI, TLI, and SRMR, were employed to assess the model's goodness-of-fit. The Chi-square value was χ^2 = 345.67 with 150 degrees of freedom, resulting in a χ^2/df ratio of 2.30, indicating an acceptable fit. The RMSEA value was 0.073, suggesting a reasonable approximation of the model to the data. The CFI was 0.912, reflecting a good fit relative to the null model, while the TLI value of 0.895, although slightly below the 0.90 threshold, was still considered marginally acceptable. Lastly, the SRMR value of 0.065 further confirmed a good fit between the hypothesized model and the observed data, supporting the overall adequacy of the model.

The R-squared (R^2) and adjusted R-squared values are crucial indicators of the model's explanatory power in predicting the dependent variable, which in this study is Increased Sales. The R^2 value of 0.721 indicates that 72.1% of the variance in Increased Sales can be explained by the combined effects of Multichannel Marketing Strategy, HR Skills, and Customer Experience, demonstrating the model's strong explanatory power. This high R^2 value suggests that these independent variables significantly contribute to sales performance within SMEs, capturing a substantial portion of the relevant factors influencing sales outcomes. The adjusted R^2 value, which accounts for the number of predictors in the model, is slightly lower at 0.716, reflecting a minor adjustment for potential overfitting. The minimal difference between R^2 and adjusted R^2 suggests that the independent variables are well-chosen and relevant, with the model effectively capturing the key drivers of Increased Sales in SMEs.

4.5 Hypothesis Testing

Hypothesis testing is a crucial part of evaluating the relationships proposed in the structural model. In this study, the hypotheses were tested using path coefficients, which represent the strength and direction of the relationships between the independent variables (Customer Experience, HR Skills, and Multichannel Marketing Strategy) and the dependent variable (Increased Sales). The results include the original sample estimates (O), sample means (M), standard deviations (STDEV), T statistics, and P values, which provide the basis for

assessing the significance of these relationships.

Table 3. Hypothesis Test

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
Customer Experience -> Increased Sales	0.310	0.312	0.106	3.092	0.000
HR Skills -> Increased Sales	0.748	0.752	0.088	8.498	0.000
Multichannel Marketing Strategy -> Increased Sales	0.573	0.571	0.068	6.550	0.000

All three hypotheses were supported by the data, revealing positive and significant relationships between Customer Experience, HR Skills, and Multichannel Marketing Strategy with Increased Sales, highlighting these factors as critical drivers of sales performance in SMEs. Among them, HR Skills had the strongest impact, with a path coefficient of 0.748, a T-statistic of 8.498, and a P-value of 0.000, indicating a highly significant relationship. The Multichannel Marketing Strategy also showed a strong positive relationship with Increased Sales, with a path coefficient of 0.573, a T-statistic of 6.550, and a P-value of 0.000, confirming its significance. Customer Experience, while having the smallest impact among the three, still demonstrated a positive relationship with a path coefficient of 0.310, a T-statistic of 3.092, and a P-value of 0.000, indicating its significance as well. These results underscore the importance of HR Skills, Multichannel Marketing Strategy, and Customer Experience as key contributors to sales performance in SMEs.

4.6 Discussion

4.6.1 Customer Experience and Increased Sales

The analysis revealed that Customer Experience has a positive and significant impact on Increased Sales, with a path coefficient of 0.310 and a T-statistic of 3.092. This result is consistent with the broader marketing literature, which emphasizes the critical role of customer experience in shaping customer behavior and driving business outcomes. Positive customer experiences lead to higher levels of customer satisfaction, loyalty, and retention, all of which contribute to increased sales [22]–[26]

For SMEs, the implication is clear: prioritizing and enhancing customer experience can directly translate into better sales performance. SMEs that invest in improving customer touchpoints—whether through personalized service, responsive customer support, or a seamless omnichannel experience—are likely to see tangible improvements in their sales figures. This finding underscores the need for SMEs to adopt a customer-centric approach in their business strategies, recognizing that positive customer interactions are a key lever for driving growth.

4.6.2 HR Skills and Increased Sales

The relationship between HR Skills and Increased Sales was found to be the strongest among the variables tested, with a path coefficient of 0.748 and a T-statistic of 8.498. This result highlights the pivotal role of human resources in supporting business performance, particularly in SMEs where resource constraints can make HR capabilities even more critical.

The high impact of HR Skills on sales performance suggests that SMEs that invest in developing their human capital are better positioned to execute their business strategies effectively. Skilled HR teams can ensure that employees are equipped with the necessary competencies to manage customer relationships, implement marketing initiatives, and adapt to changing business environments. This finding aligns with the

Resource-Based View (RBV) theory, which posits that a firm's resources, including human capital, are key to achieving and sustaining a competitive advantage [27].

In practical terms, SMEs should focus on continuous HR development, ensuring that their workforce is capable of supporting the organization's strategic goals [11], [19]–[21], [44]. This could involve regular training programs, skills development initiatives, and fostering a culture of continuous learning within the organization. By doing so, SMEs can enhance their operational efficiency, improve customer satisfaction, and ultimately boost their sales performance.

4.6.3 Multichannel Marketing Strategy and Increased Sales

The relationship between Multichannel Marketing Strategy and Increased Sales was also found to be significant, with a path coefficient of 0.573 and a T-statistic of 6.550. This finding reinforces the importance of adopting a multichannel approach in today's complex and dynamic market environment. By utilizing multiple marketing channels, SMEs can reach a broader audience, engage customers more effectively, and provide a more comprehensive customer experience.

The significance of this relationship highlights the need for SMEs to integrate various marketing channels, such as social media, websites, email marketing, and physical stores, into a cohesive strategy. Doing so not only enhances brand visibility but also ensures that customers can interact with the business through their preferred channels, leading to higher levels of engagement and conversion. This finding is consistent with previous research that underscores the effectiveness of multichannel marketing in improving business performance [18], [47], [45], [46].

For SMEs, the practical implication is to focus on creating a seamless and integrated multichannel experience. This may involve leveraging digital tools and platforms to connect with customers, investing in analytics to understand customer behavior across channels, and aligning marketing efforts with customer preferences. By doing so, SMEs can optimize their marketing strategies and drive significant improvements in sales performance.

4.6.4 Implications for Theory and Practice

The findings of this study contribute to both the theoretical understanding and practical application of marketing and HR management in SMEs. The significant relationships observed between Customer Experience, HR Skills, Multichannel Marketing Strategy, and Increased Sales provide empirical support for the importance of these factors in driving business success in SMEs.

From a theoretical perspective, the study extends the Resource-Based View (RBV) by demonstrating how human capital and strategic marketing practices can serve as critical resources that enhance business performance. The findings also align with the Technology Acceptance Model (TAM), suggesting that the adoption of multichannel marketing strategies is influenced by the perceived usefulness and effectiveness of these channels in improving sales outcomes.

In practice, the study offers valuable insights for SME managers and policymakers. It highlights the need for SMEs to focus on enhancing HR capabilities, integrating multichannel marketing strategies, and prioritizing customer experience to achieve better sales performance. These findings suggest that SMEs should adopt a holistic approach to business management, where marketing, HR, and customer experience are viewed as interconnected elements that collectively contribute to business success.

4.6.5 Limitations and Future Research

While this study provides significant insights, it also has limitations that should be acknowledged. The cross-sectional design of the study limits the ability to draw causal inferences. Future research could consider longitudinal studies to examine how these relationships evolve over time. Additionally, the study focused on SMEs within a specific geographical context, which may limit the generalizability of the findings. Expanding the research to include SMEs from different

regions or industries could provide a more comprehensive understanding of these relationships.

Finally, future research could explore additional factors that may influence sales performance in SMEs, such as innovation, technology adoption, and external market conditions. By doing so, researchers can build on the findings of this study and further contribute to the knowledge base in the field of SME management.

5. CONCLUSION

This study aimed to explore the relationships between multichannel marketing strategy implementation, HR skills, customer experience, and sales performance in SMEs, revealing that all three factors positively and significantly influence increased sales, with HR skills being the most impactful variable. These findings emphasize the critical role of human capital in supporting effective marketing strategies and enhancing customer experience, which ultimately leads to improved sales performance. The positive relationship between multichannel marketing strategy and sales underscores the importance of integrating various marketing channels to reach a broader audience and engage customers more effectively. Similarly, the significant impact of customer experience on sales performance highlights the value of delivering consistent and positive interactions across all customer touchpoints. This study contributes to the existing literature by providing empirical evidence of the interconnectedness of marketing, HR, and customer experience in driving business success in SMEs. For practitioners, the results suggest that investing in HR development, adopting a comprehensive multichannel marketing approach, and prioritizing customer experience are essential strategies for achieving sustained sales growth.

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