



Print ISSN: 1738-3110 / Online ISSN 2093-7717  
 JDS website: <http://www.jds.or.kr/>  
<http://dx.doi.org/10.15722/jds.20.06.202206.99>

# A Proposed Framework for the Roles of Digital Marketing Distribution and Co-creation in Increasing Non-Tax State Revenue in Indonesia

Kelik BUDIANA<sup>1</sup>, Sucherly SUCHERLY<sup>2</sup>, Nandan Lima KRISNA<sup>3</sup>, Diana SARI<sup>4</sup>

Received: April 08, 2022. Revised: May 17, 2022. Accepted: June 05, 2022.

## Abstract

**Purpose:** This study aims to provide a further research challenge in digital marketing distribution and co-creation from relevant literature. The concept of digital marketing and co-creation has been known to impact the business sector positively, but it has not been utilized much in the government sector. Therefore, further research is needed to identify the role of digital marketing distribution and co-creation in increasing non-tax state revenue services of government institutions in Indonesia. **Research design, data, and methodology:** This study is based on a systematic literature review. The stages are (1) research scope review, (2) article extraction from journals, (3) article quality assessment, (4) article analysis, and (5) comprehensive report. Fifty articles published from 2011 to 2021 were collected from the Google Scholar website. **Result:** This study provides a proposed model that depicts all of the potential connections between digital marketing, co-creation, and non-tax state revenue. In addition, we also identify that the customer experience influences non-tax state revenue. **Conclusions:** This study attributes the use of the digital marketing distribution and co-creation concept in the government sector and its benefits for state organizations, which have not been investigated in previous studies.

**Keywords:** Digital Marketing, Distribution, Co-creation, Non-tax State Revenue, Customer Experience.

**JEL Classifications:** H11, M31, O2, M38, O35.

## 1. Introduction

In Indonesia, every ministry or government institution must have one or more directorates or divisions that conduct some services with other institutions or parties. These services are called Non-Tax State Revenue (PNBP) Services. These divisions usually target the number of services that must be achieved in a year (in the Indonesian rupiah).

One of the problems in PNBP services is the instability of the state revenue from this sector, and this trend occurs in various countries, not only in Indonesia. Several factors might affect PNBP services, including prices for major

world commodities, especially oil and coal.

Information and Communication Technology (ICT) has significantly changed how the government sector works. The expansion of information technology usage in the taxation sector and PNBP services is one of the determining factors for the positive achievements of state revenues (Akitoby, 2018). Meanwhile, the government has been demanded to improve the quality of services given to society (Serrat, 2017). Most of the services provided by the government are in the form of PNBP. Therefore, the PNBP sector is one of the government sectors that can be helped by ICT implementation. This is where the marketing

1 First Author and Corresponding Author. [1] Doctoral Student, Faculty of Economics and Business, Padjadjaran University, Indonesia. [2] Researcher, National Research and Innovation Agency, Indonesia. Email: kelik20001@mail.unpad.ac.id

2 Professor, Faculty of Economics and Business, Padjadjaran University, Indonesia. Email: sucherly@unpad.ac.id

3 Professor, Faculty of Economics and Business, Universitas Persada Indonesia Y.A.I, Indonesia. Email: nandan@upi-yai.ac.id

4 Lecturer, Faculty of Economics and Business, Padjadjaran University, Indonesia. Email: diana.sari@unpad.ac.id

© Copyright: The Author(s)

This is an Open Access article distributed under the terms of the Creative Commons Attribution Non-Commercial License (<http://creativecommons.org/licenses/by-nc/4.0/>) which permits unrestricted noncommercial use, distribution, and reproduction in any medium, provided the original work is properly cited.

distribution concept can help.

Marketing in the government sector can differ from general marketing (Burton & Nesbit, 2015). From the product view, the government sector exclusively offers services that have a complex value proposition.

Based on the gap that has been stated above, further research on digital marketing distribution and co-creation is needed, especially in its role in improving PNB services in government institutions.

## 2. Literature Review

### 2.1. Digital Marketing

Jackson and Ahuja (2016) defined digital marketing as (1) the extension of integrated marketing communication (IMC) that incorporates aspects such as “media advertising, sales promotion, public relations, package design, personal selling, and direct marketing”; (2) the development of online communication and social media as a whole new opportunity for people to connect and interact with one another by altering analogue environments; (3) integration of internet strategy, resulting in a combination of market, policy, and technology; and (4) a low-cost medium with an endless amount of room. At the same point, Cairns (2013) stated that marketing tactics to promote products, companies, and consumer characteristics are being improved for the main concept. In addition, he examined that with the use of technology, marketing-relevant data may be collected and processed to monitor and assess the marketing plan.

According to Busca and Bertrandias (2020), the term “digital marketing” comes from understanding the internet’s history. It was begun to know how to design websites to encourage only one set of purchasing habits and attitudes (Dholakia & Rego, 1998). Cockburn and Wilson (1996) also added that corporations use the Internet service the most since it is fast, simple to use, and connects many businesses. Additionally, it is stated that digital and conceptual systems contribute to interpreting consumer and business roles in digital marketing. Jackson and Ahuja (2016) further reinforced that this digital concept of marketing occurs as a result of the internet’s evolution.

The findings of Busca and Bertrandias (2020) stated that there are three possible routes for digital marketing to take, namely (1) it can detect higher decision-making abilities in customers with minimal behavioral heterogeneity; (2) it enables customers to engage in a wider range of actions; and (3) with diverse collaboration, it can become closer to collaborative systems. Pandey, Nayal, and Rathore (2020) added that “branding, advertising, content marketing, and interactivity” are all parts of digital marketing.

Regarding the implications, Hughes and Vafeas (2019)

found that the nature of the marketing connection will alter as a result of digital marketing, and improved in-house support will be available. Also, they added that clients would understand how to acquire and use the agencies’ resources, and budgets are being shifted to new sectors such as the development of digital technologies of social media. Moreover, Harrison and Kjellberg (2016) explained that digital technologies are predicted to impact user engagement positively. Then digital marketing must be well planned for companies to get maximum benefits.

### 2.2. Co-Creation

According to Ballantyne and Varey (2006), co-creation capacity consists of low-level abilities, including exploratory, transformative, and exploitative abilities to change consumer knowledge about consumer-centered products/services. This is the result of identification in social media, where consumers are increasingly participating in the knowledge exchange process, which is vital for maintaining relationships with consumers to encourage participation and integration.

### 2.3. Customer Experience

Based on Hoyer, Chandy, Dorotic, Krafft, and Singh (2010) theory, consumer participation in product development is critical. It has a vital role in creating company value. Meanwhile, Tax, McCutcheon, and Wilkinson (2013) defined customer experience as a contact between the service provider and customer, either direct or indirect. They stated that in coordinating the customer’s actions, a service provider might lead the way or play a significant role. They should focus on the customer’s needs because they are essential in developing multilayer services.

In enterprise services, there are four elements to a customer’s engagement: customer purchase behavior, customer referral value, customer influencer value, and customer knowledge value (Kumar, Aksoy, Donkers, Venkatesan, Wiesel, & Tillmanns, 2010). It has been identified that customer involvement with a business extends outside transactions, and it is characterized as a brand’s behavioral manifestation. It can also help to improve the efficiency of new product development.

To assess service performances, Zeithaml, Berry, and Parasuraman (1993) identified that customers believe there are two standards for evaluating services: what they want and what they consider acceptable. They examined customers’ expectations and experiences. It is found that customers frequently think of pricing and tangibles as quality indicators to compare different services. Jaakkola and Alexander (2014) also explained that customer provision connects the value processes in interactions with stakeholders, influencing the end result.

### 2.4. Non-tax State Revenue

The relationship between government non-tax revenue and democracy was investigated by Prichard, Salardi, and Segal (2018). According to the findings, increased non-tax revenue and lower tax dependency are closely linked to the possibility of a country's transitioning. They discovered a link between total non-tax revenue and democracy that had been negative. They claimed that non-tax revenue has no fundamental democratic influence but instead serves to sustain both autocracies and democracies in a country.

Morrison (2011) analyzed how non-tax revenue changed over time in two low-income nations. They claim that governments can employ non-tax resources in various ways, with significant implications for social spending specifically. Non-tax income has been demonstrated to lessen redistribution strife in society and strengthen the system. In these two countries, the use of non-tax revenue was not similar. While it was directed into broad-based public expenditure in one country, it was used to subsidize ethnic organizations in another.

In addition, non-tax revenue is a sector that has been investigated in developed countries, according to Mourre and Reut (2018). The quantity, character, and volatility of non-tax revenue in the EU countries are examined in this paper. It is noted that non-tax revenue can originate from many sources, including “dividends distributed by government-owned corporations, fees charged against the provision of public health services, road and bridge tolls, and intakes from the rental of government land and buildings”. They discovered that the function of user fees in supporting a more effective use and deployment of government resources is critical in rich countries. It is undoubtedly an essential application of non-tax revenue that can be an instrument for financial policymaking.

### 3. Methodology

In this study, we used a systematic literature review strategy that has been used in some other investigations. The systematic literature review, which focuses on observing scattered material across fields, has proven to be particularly effective in this regard (Saanchez-Vergara, Ginieis, & Papaoikonomou, 2021). What distinguishes it from standard literature reviews, according to the authors, is the subjective evaluation of linked articles in the project of identification.

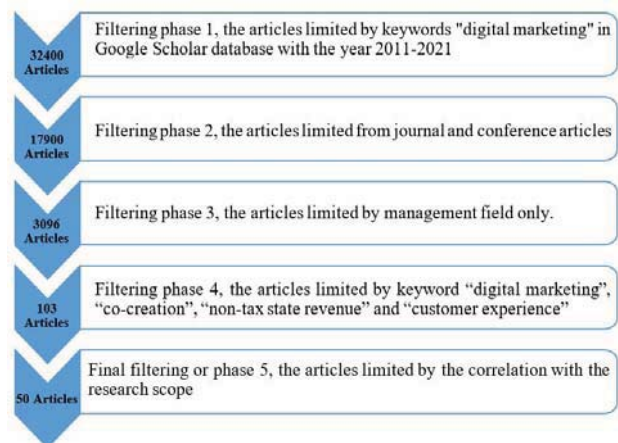
It began by obtaining papers from Google Scholar's publication database, as this is one of the most widely used databases among academics. All relevant articles published between 2011 and 2021 were compiled for the term "digital marketing". The article filtering criteria utilised in this study are listed in Table 1.

**Table 1:** Articles Filtering Criteria

Criteria	Description
Time frame	2011 – 2021
Keywords	“digital marketing”, “co-creation”, “non-tax state revenue”, “customer experience”
Document type	Journal articles
Search in	Google Scholar
Type of field	Management

The database found 32,400 related articles, most of which were excluded from further analysis, and 50 articles were selected. The selection measures included the search keyword "digital marketing", similarity with the research scope, type of journal articles, and depth of explanation regarding the relationships between digital marketing, co-creation, and customer experience.

For the first filtering, articles were selected with the keyword "digital marketing" with the range year 2011-2021, and we found 32,400 items from the Google Scholar database. In the second filtration step, we discovered that 17,900 documents were confined solely to journal articles from scholars and practitioners. Practitioners and academicians frequently use journals to acquire and publish research discoveries. We selected only papers originating from the management field for our third stage of the document selection process. Three thousand ninety-six articles were obtained from this filtering stage and used for this literature review. Finally, on the fourth filtering, we select the articles published only from 2011 until 2021. This screening process was by using a keyword “digital marketing”, “co-creation”, and “customer experience” in the titles, abstracts, keywords, and conclusions, and 103 articles were obtained as the final documents to study in this review. In the fifth filtering, we filtered articles with the scope of the research topic, and 50 papers were selected. Figure 1 shows the sequence of the processes that we used to filter the articles that met all specified criteria.



**Figure 1:** Article Filtering Phase

From the last process, with 50 articles filtered from the previous phase, we analyzed the contents of each document based on a predetermined classification scheme.

For data extraction and synthesis, initially, we examined the concept of digital marketing in various contexts and outlined the previous literature relationship with the co-creation strategy. Secondly, we connected prior research with the notion and definition of customer experience and its application to digital marketing. Lastly, we investigated the deployment of a digital marketing strategy and assessed its impact on non-tax state revenue. We emphasized how varied prior research had been and how the digital marketing notion was understood in various ways, depending on the factors influencing it and its theoretical application techniques.

#### 4. Result and Discussion

This part presents the review's findings with a descriptive analysis, organized according to the research's scope.

##### 4.1. Relationship between Digital Marketing and Co-creation (Strategy)

Digital marketing, according to numerous studies, can help the organization establish co-creation capabilities. Various research has investigated the relationship between digital marketing and co-creation strategy. This research compiles multiple studies that focus on the relationship between digital marketing and co-creation initiatives. The studies on the topic are shown in Table 2.

**Table 2:** List of Selected Articles by Title in Digital Marketing and Co-Creation

Title & Author	Findings
Evolutions in food marketing, quantifying the impact, and policy implications (Cairns, 2013).	Interactive digital marketing as strategies to promote products, brands and consumer behaviors and the collection of personal data of consumers engaged in the co-creation of marketing communications.
Explaining and predicting purchase intentions following luxury-fashion brand value co-creation encounters (Choi, Ko, & Kim, 2016)	The relationships among meeting co-creation attributes, consumer value, brand value, and purchase intentions. The marketers should emphasize emotional and experiential aspects during customer-brand interaction encounters.
Dawn of the digital age and the evolution of the marketing mix (Jackson & Ahuja, 2016).	The implications of technology for marketing the concept of customer mix as a pre-requisite for the marketing mix. The incorporation of relationship

Title & Author	Findings
	marketing, customer relationship management, co-creation, salesforce automation, and digital marketing.
Luxury brand strategies and customer experiences: Contributions to theory and practice (Ko, Phau, & Aiello, 2016).	Luxury brand strategies and customer experiences.
Customer co-creation through social media: The case of 'Crash the Pepsi IPL 2015' (Yadav, Kamboj, & Rahman, 2016).	The importance of co-creation via customer participation through social media platforms.
Value co-creation and social network analysis on a network engagement platform (Donato, Farina, Donaire, & Dos Santos, 2017).	Five important co-creation; development of Biblical APP, personal marketing for digital media, financial resources, digital marketing with animation videos, and self-esteem coaching for men and women.
Corporate rebranding failure and brand meanings in the digital environment (Tarnovskaya & Biedenbach, 2018).	The polarization of brand meanings, in which both antagonistic and supportive forms co-exist, has a determinable impact on the outcome of corporate rebranding.
How does the sentiment content of product reviews make diffusion different? (Cu, Schneider, & Scotter, 2017).	The influence of sentiment content on new product diffusion and how online social networks help the process of value co-creation and found that sentiment content has a positive but dynamic relationship with the diffusion of digital products.
Marketing Agency/Client Service-For-Service Provision in an Age of Digital Transformation (Hughes & Vafeas, 2019).	The nature of service-for-service provision between clients and agencies supports digital marketing. The relationship between clients and agencies as transactional or a partnership is related to the degree of service required and provided.
A Framework for Digital Marketing Research: Investigating the Four Cultural Eras of Digital Marketing (Busca & Bertrandias, 2020).	Digital strategy using four cultural repertoires using the Internet system; collaborative systems, traditional market systems, co-creation systems, and presumption market systems will be imprinting work leading to their creation.
Digital marketing for B2B organizations: structured literature review and future research directions (Pandey et al., 2020).	The highlight of digital marketing communication and sales management for decision support systems, critical success factors, and electronic marketing orientation.
Digital health information seeking in an omni-channel environment: A shared decision-making and service-dominant logic perspective (Dahl, Milne, & Peltier, 2021).	The effects of consumers' health information seeking in an omni-channel environment and its influences on consumers' health self-awareness.

Looking at Table 2, it is critical to developing a data analysis foundation. Table 3 also shows the trend of existing research on co-creation as a key component of digital marketing strategy and communication.

Furthermore, according to Table 2, digital marketing and co-creation encompass a variety of dimensions, including social media network, co-creation value, customer engagement, customer experience, digital marketing system, and some others. The focus on consumer engagement in expressing the components of digital marketing and co-creation is, however, the most interesting aspect of the studies from 2011 to 2021 (Busca & Bertrandias, 2020; Jackson & Ahuja, 2016; Cairns, 2013; Donato et al., 2017; Yadav et al., 2016; Dahl et al., 2021; Rathore, Ilavarasan, & Dwivedi, 2016).

**Table 3:** Research Focus Dimension in Digital Marketing and Co-Creation

Author	Dimensions
(Cairns, 2013) (Jackson & Ahuja, 2016) (Donato et al., 2017) (Tarnovskaya & Biedenbach, 2018) (Cu et al., 2017) (Hughes & Vafeas, 2019) (Busca & Bertrandias, 2020) (Pandey et al., 2020) (Dahl et al., 2021)	Digital marketing direction Importance of co-creation Marketing communication Collaborative marketing system Commercial interaction User engagement
(Cairns, 2013) (Choi et al., 2016) (Donato et al., 2017) (Cu et al., 2017) (Busca & Bertrandias, 2020)	Co-creation model Co-creator value User engagement Digital marketing value Co-creation experience
(Busca & Bertrandias, 2020) (Yadav et al., 2016) (Donato et al., 2017) (Cu et al., 2017)	Social media network Customer participation User-generated content Digital marketing innovation
(Jackson & Ahuja, 2016) (Ko et al., 2016) (Yadav et al., 2016) (Hughes & Vafeas, 2019) (Dahl et al., 2021)	Customer experience Digital marketing innovation Social media network Consumer participation Customer relationship management Consumer interaction User engagement
(Fagerstrom & Ghinea, 2013)	Co-creation value Social network marketing
(Schiavone, Leone, Sorrentino, & Scaletti, 2020)	Co-creation value Digital marketing system Customer experience
(Rathore et al., 2016)	Digital marketing communication Social media platform Customer engagement Customer behavior

As can be seen from the table, diverse studies present various points of view (Cairns, 2013; Busca & Bertrandias, 2020; Jackson & Ahuja, 2016; Fagerstrom & Ghinea, 2013;

Schiavone et al., 2020; Rathore et al., 2016). According to Jackson and Ahuja (2016), who studied consumer behavior in digital marketing settings, there are three major concerns to consider: the implications of technology in the marketing environment, the customer idea in the marketing mix, and the marketing mix offer. Therefore, Schiavone et al. (2020) sought a way to analyze customer experience in a digital marketing platform. Other researchers, conversely, evaluated the value of co-creation in digital marketing and examined it in terms of the customer experience (Cairns, 2013; Busca & Bertrandias, 2020; Ko et al., 2016; Hughes & Vafeas, 2019; Dahl et al., 2021; Rathore et al., 2016).

Based on the description above, the literature research indicates three primary views in the studies involving digital marketing and its link with co-creation. The first group identifies how digital marketing uses marketing communication to encourage co-creation. The second category studies how digital marketing works with social media networks to get customers to participate with their content. The third type focuses on digital marketing from the consumer’s perspective, including how customers create value through co-creation, customer service, customer experience, and customer behavior, among other things. Most existing studies have seen digital marketing as a larger concept, with a co-creation strategy playing a significant role in the process.

#### 4.2. Relationship between Co-creation and Customer Experience

According to some studies, customer experience is one of the most essential components of co-creation activity in digital marketing. The studies that examined co-creation and the consumer experience are included in Table 4 below.

**Table 4:** List of Selected Articles by Title in Co-Creation and Customer Experience

Title & Author	Findings
Value co-creation with Internet of things technology in the retail industry (Balaji & Roy, 2016)	The findings show that customer convenience, superior functionality, visual appeal, and appearance in IoT retail technology are major predictors of value co-creation. Consumer behavior and word-of-mouth intentions are both influenced by value co-creation.
Measuring customer value co-creation behavior: developing a conceptual model based on Service-Dominant Logic (Tommasetti, Troisi, & Vesci, 2017)	The study reveals that the scale for assessing consumer behavior in co-creation is based on eight activities: “cerebral activities, cooperation, information research and collation, the combination of complementary activities, habit changes, co-production, co-learning, and connection“.

Title & Author	Findings
Engaging customers in value co-creation or co-destruction online (Zhang, Lu, Torres, & Chen, 2017)	This study discovered that co-creation could occur through positive engagement behaviors when customers are happy and respected and can be asked for feedback.
Understanding emotional customer experience and co-creation behaviors in luxury hotels (Wu & Gao, 2019)	The findings demonstrate that many emotions can be created even within a normal service encounter. According to the findings, customers' strong emotions play a role in co-creation activities.
The co-creation experience from the customer perspective: its measurement and determinants (Verleye, 2015)	According to the findings, customer readiness, technological awareness, and the ability to connect can influence various elements of the co-creation experience.
Service experience co-creation: conceptualization, implications, and future research directions (Jaakkola, Helkkula, & Aarikka-Stenroos (2015)	The study reveals that the concept of "service experience co-creation" has several aspects and broader marketing implications.
The Role of Customer Engagement Behavior in Value Co-Creation: A Service System Perspective (Jaakkola & Alexander, 2014)	The study examines the value outcomes experienced by diverse stakeholders and identifies four categories of consumer engagement behaviors (CEB).
Health Care Customer Value Cocreation Practice Styles (McColl-Kennedy, Vargo, Dagger, Sweeney, & van Kasteren, 2012)	The study reveals five types of customer value co-creation techniques and how customers can contribute to their value creation by self-management of their health care.

Co-creation and customer experience are intertwined and cannot be separated, as seen in Table 4. According to the associated literature, the value of co-creation is created by customer behaviour. Some aspects influence customer experience and co-creation value, as shown by the relationship in Table 4.

In addition, Table 5 is presented better to understand the characteristics of co-creation and customer behavior. The relationship between co-creation and consumer behavior can be divided into numerous sections based on the qualities of these two concepts (see Table 5).

**Table 5:** Research Focus on Co-Creation and Customer Experience

Author	Dimensions
Balaji and Roy (2016)	(1) customer interaction with IoT technology, (2) co-creation value with IoT, (3) customer interaction and value co-creation, (4) customer senses, and (5) effective marketing strategy.

Author	Dimensions
Tommasetti et al. (2017)	(1) customer value co-creation, (2) customer value co-creation activities, (3) customer value measurement, (4) co-creation behaviour, (5) customer satisfaction
Zhang et al. (2017)	(1) customer engagement behavior, (2) online customer engagement, (3) co-destruction value, (4) marketing services, (5) co-creation experience
Wu and Gao (2019)	(1) customer co-creation behaviors, (2) emotion triggers, (3) emotional customer experience
Verleye (2015)	(1) co-creation experience, (2) customer heterogeneity, (3) new product development, (4) customer readiness, (5) customer expectations
Jaakkola et al. (2015)	(1) co-creation experience complexity, (2) service experience, (3) experiential value creation, (4) customer satisfaction, (5) customer interactions
Jaakkola and Alexander (2014)	(1) customer engagement, (2) customer participation, (3) co-creation value, (4) service system
McColl-Kennedy et al. (2012)	(1) co-creation value, (2) customer value cocreation activities, (3) customer perceptions, (4) customer service network, (5) customer interaction

Numerous dimensions have been established in the connection between the two concepts of co-creation and customer experience to characterize the relationship between them, as shown in Table 4.

Several components in the customer experience must be explored, namely customer interaction with IoT technology, customer value co-creation, customer satisfaction, customer value measurement, customer engagement behavior, online customer engagement, emotional customer experience, customer heterogeneity, customer readiness, customer service network and customer interaction (Balaji & Roy, 2016; Tommasetti et al., 2017; Zhang et al., 2017; Wu & Gao, 2019; Verleye, 2015; Jaakkola et al., 2015; Jaakkola & Alexander, 2014; McColl-Kennedy et al., 2012). While the characteristics of co-creation are co-creation value with IoT, co-creation activities, co-creation behavior, co-creation experience, co-creation experience complexity, experiential value creation, and co-creation value (Balaji & Roy, 2016; Tommasetti et al., 2017; Zhang et al., 2017; Verleye, 2015; Jaakkola et al., 2015; Jaakkola & Alexander, 2014; McColl-Kennedy et al., 2012).

### 4.3. Relationship between Digital Marketing, Co-creation, and Non-tax State Revenue

Another topic that requires our attention is how the terms of digital marketing and co-creation influence governments'

non-tax revenue. This section investigates various studies, and the association is described.

First, as shown in Table 6, we looked for scholarly studies on digital marketing, co-creation influence, and non-tax state revenue.

**Table 6:** List of Selected Articles by Title in Digital Marketing, Co-Creation, and Non-Tax State Revenue

Title & Author	Findings
Nontax Revenue, Social Cleavages, and Authoritarian Stability in Mexico and Kenya: "Internationalization, Institutions, and Political Change" Revisited (Morrison, 2011)	The study analyzes how the government spends non-tax revenue for social activities. The findings show that "domestic contextual factors" have a relation between non-tax state revenue and its implication.
Managing Digital Money (Dodgson, Gann, Wladawsky-Berger, Sultan, & George, 2015)	The study reveals that digital marketing can be used as a global platform for invention, boosting social stability and good governance by increasing tax revenue.
Marketing's progress beyond its heritage functions: New Marketing, New CMO, and the Revenue Potential (Purcărea, 2017)	This study discovered that customers drive organizational revenue, whereas marketing strategy drives organizational transformation, productivity, and value.
Non-tax revenue in the European Union: A source of fiscal risk? (Mourre & Reut, 2018)	Variability of non-tax revenue is roughly three times more than tax revenue, as found in the study, and non-tax revenue in developed countries was analyzed based on the state inputs.
E-Services Usage Evaluation; Applications' level of Co-Creation and Digitalization (Taherdoost, Sahibuddin, & Jalaliyoon, 2013)	According to this study, applications that provide "e-services" to the public can be a source of co-creation and have the potential to increase tax revenue.

As shown in Table 6, the current analysis explored the implications of co-creation, digital marketing, and non-tax revenue. It can be demonstrated that incorporating digital marketing into a marketing plan has good consequences in a variety of sectors, such as organizational transformation, productivity, and its income (Purcărea, 2017). While Taherdoost et al. (2013) examined, the customer has a linear impact on governments' income. They stated that the co-creation customer factor is considered essential, and the online forms of services offered digitally at the end can impact state tax revenue. Moreover, there are also some dimensions related to the non-tax revenue that consists of social factors, social stability, good governance, the state inputs, public service, co-creation value, and customer involvement (Morrison, 2011; Dodgson, 2015; Purcărea, 2017; Mourre & Reut, 2018; Taherdoost et al., 2013).

Meanwhile, based on existing studies, Table 7 offers the

crucial factor that establishes the foundation that affects non-tax revenue and its link to digital marketing and co-creation.

**Table 7:** Research Focus on Digital Marketing, Co-Creation and Non-Tax State Revenue

Author	Dimensions
Morrison (2011)	(1) social factor, (2) social stability, (3) social spending, (4) government acts, (5) domestic contextual factors.
Dodgson et al. (2015)	(1) innovation ecosystem, (2) digital products, (3) digital platform, (4) digital services, (5) revenue impact
Purcărea (2017)	(1) marketing technology, (2) marketing strategy, (3) revenue potential, (4) customer experience, (5) revenue risk
Mourre and Reut (2018)	(1) government revenue component, (2) country intakes, (3) government services
Taherdoost et al. (2013)	(1) co-creation value, (2) customer relationship, (3) digital services, (4) social networking service, (5) customer expectations

To summarize, research into non-tax revenue as a result of digital marketing and co-creation can be divided into numerous dimensions, including digital services, customer involvement, marketing strategy, government services, co-creation value, and social networking services (Morrison, 2011; Dodgson et al., 2015; Purcărea, 2017; Mourre & Reut, 2018; Taherdoost et al., 2013). Some research used a vertical method to study the relationship between non-tax revenue and digital marketing, assessing given digital services and platforms that can boost non-tax revenue components (Dodgson et al., 2015; Taherdoost et al., 2013). On the other hand, some researchers used a horizontal strategy to explore co-creation and non-tax revenue by examining marketing and service operations behind (Purcărea, 2017; Mourre & Reut, 2018).

## 5. Proposed Model

This literature review contains a study scope viewpoint by offering a theoretical model of digital marketing, co-creation, and the customer experience in influencing non-tax state revenue. The model was created by combining data from literature analysis and summarizing the purpose and direction of studies on digital marketing and cocreation, utilized as innovative tools to engage customer participation from 2011 through 2021. Moreover, this review highlights the concept that digital marketing and co-creation activities can be the main determinants for increasing non-tax revenue for governments. Digital marketing and co-creation as part of all innovations can significantly boost non-tax state revenue income for organizations. Figure 2 depicts the

potential connections between digital marketing, co-creation, and non-tax state revenue.

Three propositions have been made in particular regarding the proposed model figure in Figure 2, namely:

1. The first proposition: An organization's digital marketing distribution can be built in two ways: by leveraging the customer factor and by innovating the digital organization.
2. The second proposition: Co-creation behavior, co-creation value, and co-creation experience drive organizational co-creation activities.
3. The third proposition: Customer dimensions, such as customer interaction, customer interaction expectation, customer participation, customer behaviour, customer sense, customer readiness, and customer expectation, can affect digital marketing and co-creation.

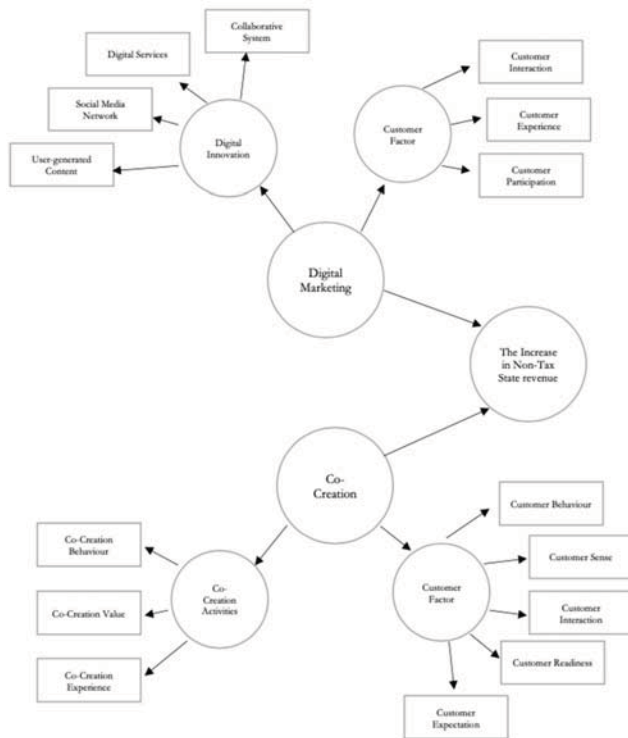


Figure 2: Proposed Model

## 6. Conclusion and Recommendation

By reviewing current relevant literature, this finding suggests a research model. In this work, the proposed model was built by combining components of digital marketing, co-creation, and customer-related factors. These factors are viewed as major intrinsic and extrinsic drives for increasing

non-tax revenue in the public government sector. In addition, after integrating the literature research, this study reveals the dimensions and sub-dimensions of each variable.

In two ways, we indicate this research can help. Initially, the findings of this study add to the body of empirical knowledge in the field of digital marketing and co-creation in terms of fundamental implications. The conceptual model in this study is thought to be critical in addressing the need for current research that may be utilized as a guide for future evidential efforts, particularly in the public sector. Furthermore, in terms of public implications, this research contributes to developing recommendations for marketing and promotion practitioners in government institutions intending to expand their reach capability by incorporating co-creation and digital innovation into their marketing strategy to increase revenue, particularly non-tax revenue. This research demonstrates that digital marketing distribution and co-creation are critical components of boosting non-tax state revenue.

Finally, future research might explore the functions of digital marketing distribution and co-creation in government organizations of various economic levels. It is reasonable to assume that digital marketing distribution and co-creation characteristics will vary by company type, such as a corporation, and by scale, small, medium, and large. To acquire a more in-depth understanding of this research topic, it is also recommended to compare the influence of digital marketing distribution and co-creation on non-tax revenue in government and industry.

## References

- Akitoby, B. (2018). Raising revenue. *Finance and Development*, 55(1), 18–21. <https://doi.org/10.1108/bl.2001.17014dab.005>
- Balaji, M. S., & Roy, S. K. (2016). Value co-creation with Internet of things technology in the retail industry. *Journal of Marketing Management*, 33(1–2), 7–31. <https://doi.org/10.1080/0267257X.2016.1217914>
- Ballantyne, D., & Varey, R. J. (2006). Creating value-in-use through marketing interaction: The exchange logic of relating, communicating and knowing. *Marketing Theory*, 6(3), 335–348. <https://doi.org/10.1177/1470593106066795>
- Burton, S., & Nesbit, P. (2015). Capturing experiences as they happen: diary data collection for social marketing. *Journal of Social Marketing*, 5(4), 307–323. <https://doi.org/10.1108/JSOCM-09-2014-0061>
- Busca, L., & Bertrandias, L. (2020). A Framework for Digital Marketing Research: Investigating the Four Cultural Eras of Digital Marketing. *Journal of Interactive Marketing*, 49, 1–19. <https://doi.org/10.1016/j.intmar.2019.08.002>
- Cairns, G. (2013). Evolutions in food marketing, quantifying the impact, and policy implications. *Appetite*, 62, 194–197. <https://doi.org/10.1016/j.appet.2012.07.016>
- Choi, E., Ko, E., & Kim, A. J. (2016). Explaining and predicting purchase intentions following luxury-fashion brand value co-



- creation encounters. *Journal of Business Research*, 69(12), 5827–5832. <https://doi.org/10.1016/j.jbusres.2016.04.180>
- Cockburn, C., & Wilson, T. D. (1996). Business Use of the World-Wide Web. *International Journal of Information Management*, 16(2), 83–102. [https://doi.org/10.1016/0268-4012\(95\)00071-2](https://doi.org/10.1016/0268-4012(95)00071-2)
- Cu, T., Schneider, H., & Scotter, J. Van. (2017). How Does Sentiment Content of Product Reviews Make Diffusion Different? *Journal of Computer Information Systems*, 59(2), 127–135. <https://doi.org/10.1080/08874417.2017.1312636>
- Dahl, A. J., Milne, G. R., & Peltier, J. W. (2021). Digital health information seeking in an omni-channel environment: A shared decision-making and service-dominant logic perspective. *Journal of Business Research*, 125, 840–850. <https://doi.org/10.1016/j.jbusres.2019.02.025>
- Dholakia, U. M., & Rego, L. L. (1998). What makes commercial Web pages popular?: An empirical investigation of Web page effectiveness. *European Journal of Marketing*, 32(7/8), 724–736.
- Dodgson, M., Gann, D., Wladawsky-Berger, I., Sultan, N., & George, G. (2015). Managing Digital Money. *Academy of Management Journal*, 58(2), 325–333. <https://doi.org/10.5465/amj.2015.4002>
- Donato, H. C., Farina, M. C., Donaire, D., & Dos Santos, I. C. (2017). Value co-creation and social network analysis on a network engagement platform. *Revista de Administracao Mackenzie*, 18(5), 63–91. <https://doi.org/10.1590/1678-69712017/administracao.v18n5p63-91>
- Fagerström, A., & Ghinea, G. (2013). Co-creation of value in higher education: Using social network marketing in the recruitment of students. *Journal of Higher Education Policy and Management*, 35(1), 45–53. <https://doi.org/10.1080/1360080X.2013.748524>
- Harrison, D., & Kjellberg, H. (2016). How users shape markets. *Marketing Theory*, 16(4), 445–468. <https://doi.org/10.1177/1470593116652004>
- Hoyer, W. D., Chandu, R., Dorotic, M., Krafft, M., & Singh, S. S. (2010). Consumer co-creation in new product development. *Journal of Service Research*, 13(3), 283–296. <https://doi.org/10.1177/1094670510375604>
- Hughes, T., & Vafeas, M. (2019). Marketing Agency/Client Service-For-Service Provision in an Age of Digital Transformation. *Journal of Business-to-Business Marketing*, 26(3–4), 265–280. <https://doi.org/10.1080/1051712X.2019.1611080>
- Jaakkola, E., & Alexander, M. (2014). The Role of Customer Engagement Behavior in Value Co-Creation: A Service System Perspective. *Journal of Service Research*, 17(3), 247–261. <https://doi.org/10.1177/1094670514529187>
- Jaakkola, E., Helkkula, A., & Aarikka-Stenroos, L. (2015). Service experience co-creation: conceptualization, implications, and future research directions. *Journal of Service Management*, 26(2), 182–205.
- Jackson, G., & Ahuja, V. (2016). Dawn of the digital age and the evolution of the marketing mix. *Journal of Direct, Data and Digital Marketing Practice*, 17(3), 170–186. <https://doi.org/10.1057/ddmp.2016.3>
- Ko, E., Phau, I., & Aiello, G. (2016). Luxury brand strategies and customer experiences: Contributions to theory and practice. *Journal of Business Research*, 69(12), 5749–5752. <https://doi.org/10.1016/j.jbusres.2016.04.170>
- Kumar, V., Aksoy, L., Donkers, B., Venkatesan, R., Wiesel, T., & Tillmanns, S. (2010). Undervalued or overvalued customers: Capturing total customer engagement value. *Journal of Service Research*, 13(3), 297–310. <https://doi.org/10.1177/1094670510375602>
- McCull-Kennedy, J. R., Vargo, S. L., Dagger, T. S., Sweeney, J. C., & van Kasteren, Y. (2012). Health Care Customer Value Cocreation Practice Styles. *Journal of Service Research*, 15(4), 370–389. <https://doi.org/10.1177/1094670512442806>
- Morrison, K. M. (2011). Nontax revenue, social cleavages, and authoritarian stability in Mexico and Kenya: “internationalization, institutions, and political change” revisited. *Comparative Political Studies*, 44(6), 719–746. <https://doi.org/10.1177/0010414011401213>
- Mourre, G., & Reut, A. (2018). Non-tax revenue in the European Union: A source of fiscal risk? *International Tax and Public Finance*, 26(1), 198–223. <https://doi.org/10.1007/s10797-018-9498-z>
- Pandey, N., Nayal, P., & Rathore, A. S. (2020). Digital marketing for B2B organizations: structured literature review and future research directions. *Journal of Business and Industrial Marketing*, 35(7), 1191–1204. <https://doi.org/10.1108/JBIM-06-2019-0283>
- Prichard, W., Salardi, P., & Segal, P. (2018). Taxation, non-tax revenue and democracy: New evidence using new cross-country data. *World Development*, 109, 295–312. <https://doi.org/10.1016/j.worlddev.2018.05.014>
- Purcărea, T. (2017). Marketing’s progress beyond its heritage functions: New Marketing, New CMO, and the Revenue Potential. *Holistic Marketing Management Journal*, 7(2), 18–28. <https://ideas.repec.org/a/hmm/journal/v7y2017i2p18-28.html>
- Rathore, A. K., Ilavarasan, P. V., & Dwivedi, Y. K. (2016). Social media content and product co-creation: an emerging paradigm. *Journal of Enterprise Information Management*, 29(1), 7–18. <https://doi.org/10.1108/JEIM-06-2015-0047>
- Schiavone, F., Leone, D., Sorrentino, A., & Scaletti, A. (2020). Re-designing the service experience in the value co-creation process: an exploratory study of a healthcare network. *Business Process Management Journal*, 26(4), 889–908. <https://doi.org/10.1108/BPMJ-11-2019-0475>
- Serrat, O. (2017). Knowledge Solutions: Tools, Methods, and Approaches to Drive Organizational Performance. *Knowledge Solutions: Tools, Methods, and Approaches to Drive Organizational Performance*, 1–1140. <https://doi.org/10.1007/978-981-10-0983-9>
- Taherdoost, H., Sahibuddin, S., & Jalaliyoon, N. (2013). E-Services Usage Evaluation; Applications’ level of Co-Creation and Digitalization. *International Journal of Academic Research in Management*, 2(1), 10–18.
- Tarnovskaya, V., & Biedenbach, G. (2018). Corporate rebranding failure and brand meanings in the digital environment. *Marketing Intelligence and Planning*, 36(4), 455–469. <https://doi.org/10.1108/MIP-09-2017-0192>
- Tax, S. S., McCutcheon, D., & Wilkinson, I. F. (2013). The Service Delivery Network (SDN): A Customer-Centric Perspective of the Customer Journey. *Journal of Service Research*, 16(4), 454–470. <https://doi.org/10.1177/1094670513481108>

- Tommasetti, A., Troisi, O., & Vesci, M. (2017). Measuring customer value co-creation behavior: Developing a conceptual model based on service-dominant logic. *Journal of Service Theory and Practice*, 27(5), 930–950. <https://doi.org/10.1108/JSTP-10-2015-0215>
- Verleye, K. (2015). The co-creation experience from the customer perspective: Its measurement and determinants. *Journal of Service Management*, 26(2), 321–342. <https://doi.org/10.1108/JOSM-09-2014-0254>
- Wu, S. H., & Gao, Y. (2019). Understanding emotional customer experience and co-creation behaviours in luxury hotels. *International Journal of Contemporary Hospitality Management*, 31(11), 4247–4275. <https://doi.org/10.1108/IJCHM-04-2018-0302>
- Yadav, M., Kamboj, S., & Rahman, Z. (2016). Customer co-creation through social media: The case of “Crash the Pepsi IPL 2015.” *Journal of Direct, Data and Digital Marketing Practice*, 17(4), 259–271. <https://doi.org/10.1057/dddmp.2016.4>
- Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1993). The Nature and Determinants of Customer Expectations of Service. *Journal of the Academy of Marketing Science*, 21(1), 1–12. <https://doi.org/10.1177/0092070393211001>
- Zhang, T., Lu, C., Torres, E., & Chen, P. J. (2018). Engaging customers in value co-creation or co-destruction online. *Journal of Services Marketing*, 32(1), 57–69. <https://doi.org/10.1108/JSM-01-2017-0027>