Strategic marketing innovation and marketing performance: an empirical investigation of furniture exporting businesses in Thailand

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Abstract

This study is to investigate the relationship among three dimensions of marketing innovation strategy (learning orientation, firm entrepreneurship and research and development innovation strategy) on marketing performance through mediating influences of new product development, customer responsiveness, marketing effectiveness and marketing advantage. Moreover, this study examines the moderating effects of market culture. Also, long term vision, marketing resources and technology growth are examined as antecedents of marketing innovation strategy in the context of furniture exporting businesses in Thailand. Regression analysis is employed to analyze the relationship between these variables. Eighty-two furniture exporting businesses in Thailand are used samples that are collected data from mail survey questionnaires. The result indicates that all dimensions of marketing innovation strategy has an effect on consequence in different ways, include that learning orientation, firm entrepreneurship, and R&D innovation strategy has a positive effect on New product development, customer responsiveness, marketing effectiveness, and marketing performance, whereas, long term vision has full positive influence on three dimension of marketing innovation strategy. And on moderating effect of marketing innovation strategy has positive only influence on the relationship between long term vision and market culture on learning orientation.

1. Introduction

Presently, an intense competitive business and rapidly changing business environment (Meira, 2010) and entails inability to forecast future demand (Stalk and Hout, 1990). Numerous organizations should rapidly change their incredible methodology for executing their business and strategy to pick advantage form emerging opportunities (Eisenhardt, 1989; Hannan and Freeman, 1984). Hence, firms prepare to deal with uncertainty and changing environment with appropriate strategy entails to competitive advantage and achieve superior performance (Eisenhardt and Martin, 2000). The firm are challenged, their employ innovation to develop marketing strategy (Goedhuys and Veugelers, 2011; Maine et. al., 2014; Love et. al., 2014). Because there approaches establish different strategies provide sustainable superior competition as new ideas, new process for beneficial of the firm in solving problems or development of implementation (Amabile, 1996; Franken, 2007; Kylaheiko et. al, 2011).

Furthermore, the rapidly changing on marketing environment become more complex in home decorate market, the firm in manufacturing of home decorate has especially in innovation, when open economy as ASEAN Economic Community: AEC make to the markets in ASEAN region becoming a single market, globally diffuse sources of invention, market dynamism (Eisenhardt and Martin, 2000) manufacturing capability and innovation (Teece, 2007) as firms depending on their resources to drive through sustainable competitive advantages. The firms within these undulation will need to establish, manipulate, integrate and reconfigure inner and outer skills to change these shaky situations, termed as ‘dynamic capabilities’ (Teece et. al., 1998; Eisenhardt & Martin, 2000), which are based on firm resources the most important because they enhance knowledge by making decisions in each situation, (Parthasarathy, Huang, and Ariss, 2012). Thus, the knowledge of this important like of marketing innovation strategy, entrepreneurship and performance remain limited. In this respect, a number of studies continue to focus on questions that are of concern as how firm marketing innovation strategies consists of three dimension are entrepreneurship, learning orientation, and R&D innovation strategy impact marketing performance (Chih-Wen Wu, 2013). This addresses these questions by come back to the key construct of firm entrepreneurship, learning
orientation, and R&D innovation strategy and marketing performance in furniture exporter businesses context.

This first aim of study also examines the concept and construct of firm entrepreneurship, learning orientation, and R&D innovation strategy and performance in the literature that reflect resource based theory (Barney, 1991; Wernerfelt, 1984, 1995). The second aim is to examine the relationship between the antecedent and consequences of marketing innovation strategy. The third aim to examine the antecedent factors which drive marketing innovation strategy in order to achieve marketing performance. The fourth aim is to examine the influence of marketing innovation strategy through the consequential factors in order to achieve marketing performance. The final aim is to examine the influence of the moderating effect, namely, market culture. The main research questions of this study are how the dimension of marketing innovation strategy competes through marketing performance and how the antecedent and consequence factors influence marketing innovation strategy in order to achieve marketing performance. Then, we review the relevant literature.

2. Literature Review and Hypothesis

The examination model of this study is demonstrated in figure 1 and shows the reason of the consequences for three dimensions of marketing innovation strategy. The consequences are new product development, customer responsiveness, marketing effectiveness, marketing advantage, and marketing performance. The antecedents are long-term vision, marketing resources, technology growth, and. Moreover, this study examines market culture as the moderator in the context of furniture exporter businesses in Thailand. Linkages of these constructs are indicated in figure1.

![Figure 1: Relationship Model of Marketing Innovations Strategy and Marketing Performance](image)

### 2.1 Marketing Innovation Strategy

Marketing innovation strategy is defined that significant changes in innovation/knowledge is a stem from the revelation of something new. Incremental innovations, on the other hand, are major advances to an established technology/knowledge (Garcia & Calantone, 2002). The logic of marketing innovation emphasizes sales growth by shifting consumer demand from elastic to more inelastic market segments through the delivery of better value (actual or perceived) to the consumers (Bennett & Cooper, 1979, 1981; Hurley & Hult, 1998). Thus, such marketing innovation strategy is learning orientation that refers to learning something new and has changed over time, both within and outside the organization by systematic pattern, such as knowledge sharing between departments and the application of modern technology, under providing the supporting with the implementation of firm. It led to established knowledge newness. While, Moreira and Silva, 2012 defined marketing innovation is as an advancement as is a capacity of firm to inventive for creating new product and administrations picking up to the business sector, for example, upgrade bundling, new media for product advancement, new strategies for deals channels, and new routines for valuing pricing goods or services, which are important for many organizations leading to marketing sustainability. And Naidoo, 2010 revealed that marketing innovation is defined as the upgrades in product design, estimating, situation, advancement, and the chance of survival. With an essential
target of advancement being the improvement of new or adjusted products/processes aimed at improving organizational performance and with superior performance inherently dependent on understanding and satisfying customer needs better than one's competitors, market orientation and innovation are intrinsically linked constructs (Augusto & Coelho, 2009; Hauser, Tellis, & Griffin, 2006).

2.1.1 Learning orientation.

The first dimension of strategic marketing innovation developed from learning orientation that focuses on constructs. Learning orientation focuses on four crucial components: innovation skills, innovation metrics, information technology innovation, and management process (Hamel, 2000). Argyris (1994) distinguishes that good communication could have either a positive or a negative effect on learning. Organizational culture and the amount of resources also regulate the quality of learning (Shimizu & Hit, 2004). A learning organization definition is a firm that intends to build structures and strategies to improve performance and enhance organizational learning (Dodgson, 1993). The learning orientation includes new knowledge created (Slater & Narver, 1995) and new knowledge used (Sinkula, Baker, & Noordewier, 1997). Accordingly, these four principal dimensions for learning orientation include commitment to learning (Santos-Vijande, Sanzo-Perez, Alvarez-Gonzalez, & Vazquez-Casielles, 2005; Sinkula et al., 1997), open mindedness (Calantone, Cavusgil, & Zhao, 2002; Santos-Vijande et al., 2005; Sinkula et al., 1997), shared vision (Barker & Sinkula, 2005) and intra organizational knowledge sharing (Calantone et al., 2002; Lukas, Hult, & Ferrell, 1996). As a result, this study implies that learning orientation focus will have a positive effect on new product development, customer responsiveness fulfillment, marketing effectiveness, marketing advantage, and marketing performance. Thus, we hypothesize the relationship as follows:

Hypothesis 1: Learning orientation has a positive influence on (a) new product development (b) customer responsiveness (c) marketing effectiveness (d) marketing advantage, and (e) marketing performance.

2.1.2 Firm entrepreneurship.

The second dimension of strategic marketing innovation developed from entrepreneurship focus construct. Entrepreneurship focus is top executive stress to education in the field on the growth of entrepreneurship that gained increasing attention on a new view as the essential activities of the entrepreneurship (Peterson & Berger, 1972; Shane & Venkataraman, 2000; Soriano & Peris-Ortiz, 2011), consists that three primary complements encourage to key of entrepreneurship with in a firm consisting risk taking, innovativeness and proactiveness (Barringer & Bluedorn, 1999; Tajeddini & Mueller, 2012; Wiklund & Shepherd, 2003). Thus, the definition of entrepreneurship includes entrepreneurial practices inside of associations (Stevenson & Jarillo, 1990; Stopford & Baden-Fuller, 1994), franchising (Shane & Hoy, 1996), acquisition practices (Gartner, 1990) and opportunity recognition (Renko, Shrader, & Simon, 2012). And the area of firm entrepreneurial orientation has followed three primary streams, including the factors of predicting the presence of high levels of firm entrepreneurship (Lumpkin & Dess, 1996; Zahra, 1991), scholars mentioned innovation as the process leading to a competitive advantage (Branzei and Vertinsky, 2006). Particularly, marketing innovation will enhance developing products and services differently (Naidoo, 2010). Moreover, prior research indicates the result which product innovation is the strong indicator of finance performance under the modern production and value creation (Goedhuys and Veugelers, 2011). Entrepreneurship focus will have a positive effect on new product development, customer responsiveness fulfillment, and marketing performance. As a result, this study implies that firm effectiveness, marketing advantage and Marketing performance. Thus, we hypothesize the relationship as follows:

Hypothesis 2: Firm entrepreneurship has a positive influence on (a) new product development (b) customer responsiveness (c) marketing effectiveness (d) marketing advantage, and (e) marketing performance.

2.1.3 R&D innovation strategy.

The third dimension of strategic marketing innovation developed from R&D innovation focus construct. R&D innovation strategy emphasized on program and process including innovation
creation ((Nohria & Gulati, 1996; Utterback, 1975), innovation adoption (Dodgson, 1993) and innovation diffusion ((Huarng, 2010; Huarng, 2011; Rogers, 1995) and emphasis on price, quality and customer satisfaction, and requiring an increased recognition of innovation (Barkema, Baum, & Mannix, 2002; Chaston & Scott, 2012; Pettigrew, Woodman, & Cameron, 2001; Woodside, Ko, & Huan, 2012). Innovation strategy in organizations has been of central interest in recent years because it is vital for organizational adaptation and renewal as well as for competitive advantage (Kim & Huarng, 2011; Lewis, Welsh, Dehler, & Green, 2002; Parellada, Soriano, & Huarng, 2011). R&D innovation strategy definition is alternative marketing strategy for enabling solution to problems, fulfilling customer expectations, and application involves commercializing a product or service (Chaston & Scott, 2012; Zairi, 1994) and led to better performance from higher market returns (Chaston & Scott, 2012; Zairi, 1994). As a result, this study implies that R&D innovation strategy focus will have a positive effect on new product development, customer responsiveness fulfillment, marketing effectiveness, marketing advantage, and marketing performance. Thus, we hypothesize the relationship as follows:

_Hypothesis 3: R&D innovation strategy has a positive influence on (a) new product development (b) customer responsiveness (c) marketing effectiveness (d) marketing advantage, and (e) marketing performance._

2.2 New Product Development

New-product development refers to the firm’s capability of building or improving products and firm launching the fresh products into a marketplace at a high of quality, low cost and at the appropriate time launching a new product. Similarly, scholars mention that customers perceive quality products and good prices for the best choices (Racela and Thoumrungroje, 2010; Hult et al., 2004). Moreover, scholars reveal the new product development that is a main driver of firm performance and organizational survival (Brown and Eisenhardt, 1995). This implies that a new product can increase marketing advantage. Thus, we hypothesize the relationship as follows:

_Hypothesis 4: New product development has a positive influence on marketing advantage._

2.3 Customer Responsiveness

Customer Responsiveness refers to firm’s competency in response to customer demand/need and delivers superior value to customer. It involves a focus on customers by identifying, analyzing, understanding, and answering their needs (Johnson and other, 2003). Besides, it involves firm willingness to respond to customer needs, customer satisfaction and to provide product and support service. Likewise, customer orientation refers to the focus on the sufficient understanding of the target customers so as to deliver superior values for them (Naver and Slater, 1990). Prior research shows that firms with customer responsiveness that allows an organization to differentiate its product and service from competitors, sustains customer loyalty and extends the value they provide to customers (Magretta, 1998). Customer responsiveness is defined as firm ability to quickly respond and helpfulness of the services to customers (Lee and Lin, 2005). Thus, a firm has an ability to sense and respond to the market needed by collecting and disseminating market information throughout the organization increasing customer satisfaction (Deighton, 1997). As a result, this study implies that customer responsiveness focus will have a positive effect on marketing advantage. Thus, we hypothesize the relationship as follows:

_Hypothesis 5: Customer responsiveness has a positive influence on marketing advantage._

2.4 Marketing effectiveness

Marketing effectiveness defines as the operation to optimize marketing spending to obtain greater results of objectives both short and long-term (Nwokah and Ahiauzu, 2008). Marketing effectiveness has four basic facets, including corporate, competitive, customer, and exogenous factors (Nwokah, 2006). Similarly, Kotler (1977) defines marketing effectiveness as a firm’s ability to learn about the market, identifies opportunities, and selects target markets to offer better value to target customers. Nwokah (2006) argues that there are five factors driving marketing effectiveness, consisting of marketing strategy, creative marketing, marketing execution, marketing infrastructure, and exogenous factors. In addition, Ussahawanitchakit (2012) presents that marketing effectiveness has a strong effect on customer satisfaction, market orientation, long-term growth, profitability, and
firm performance. We expect that marketing effectiveness also affects marketing advantage. Thus, we hypothesize the relationship as follows:

**Hypothesis 6:** Marketing effectiveness has a positive influence on marketing advantage.

2.5 Marketing Advantage.

Marketing advantage is defined as the firm’s action or firm’s capability to design, create and develop a distinctive image of product offerings that overcome the competitors’ position (Kotler and Keller, 2009; Phokha, Ussahawanitchakit, 2011). The source of firm advantage depends on the firm’s resources and activities which are able to provide superior performance (Barney, 1991). Marketing advantage with new products includes high quality and reasonable price, outstanding quality including modern innovation, and unique and good reputation over its competitors (Thipsri and Ussahawanitchakit, 2008). Certainly, the customer perceives value in receiving benefits and features of new product development that is related to be able to respond to the customer in terms of customer satisfaction and ultimately achieving superior performance (Ussahawanitchakit, 2005). In this research, marketing advantage refers to the capability of the organization for the development of new products with unique and superior features which are better than those of its competitors and give advantage in the market such as high quality, uniqueness, and reasonable price are such characteristics. In addition, Kaleka (2002) points out that there are two distinct types of competitive advantage: cost and differentiation advantage. According to Zhou, Brown, and Dev (2008), competitive advantage of an organization includes price/cost, quality, delivery reliability, product innovation, and time for market effects on organizational success. Also, the work of Stewart (1997) indicates that higher performance in an export venture may be expected if the exporting firm achieves a “fit” between its export marketing strategy and its internal and external environments. As a result, this study implies that marketing advantage focus will have a positive effect on marketing performance. Thus, we hypothesize the relationship as follows:

**Hypothesis 7:** Marketing advantage has a positive influence on marketing performance.

2.6 Marketing Performance.

In previous research, Arthurs and Busenitz (2006) and Gao (2010) proposed that marketing performance is a firm’s emphasis on success which comprises the marketing capability in response to the market demands and the adaptation capabilities in environmental change. Similarly, Barczak et al. (2008) explained that marketing performance is the degree of the new product that meets customer expectations with regard to sales, a market share greater than its competitors, profitability, and the ability of the firm to respond to market and create customer satisfaction. Likewise, Murray and Chao (2005) used new product development speed, development cost efficiency, and product quality in order to reflect the marketing performance. Moreover, marketing performance is reflected on profitability, sales growth, and market share. The marketing performance measure should capture firm performance at both current and future levels. More explicitly, a broad and well-balanced performance conceptualization, including financial and non-financial measure, will help marketers to fully understand the performance consequences of their strategies (Varadarajan and Jayachandran, 1999). Financial performance literally refers to financial measures, such as profit margin, return on investment, and revenue growth, whereas marketing performance implies measures such as the volume of new customers, sales volume, and market share (Jaakkola et al., 2010; Kaynak and Kara, 2004). Every firm should, in principle, seek profitable growth over maximum sales alone. The study of new product success finds that a strong positive link exists between market share and return on investment (ROI) measures (Baker and Sinkula, 1999; Morgan et al., 2003). Hooley et al. (2005) argued that superior marketing performance likely results in superior financial performance. Moreover, Morgan (2012) argued that marketing performance is the capability of firm to increase sales volume and firm activities which are the ultimate organizational goals in terms of financial performance. Marketing performance can be measured in terms of accounting indicators such as cash flows and profitability. In addition, O’Sullivan and Abela (2007) suggested that marketing performance is measured by returning on assets (ROA), and returning on investment (ROI). However, the marketing performance can be measured by sales volume, sales growth, and market share, whereas financial performance can be measured by profitability, a percentage of sales, return on investment (ROI), profit margin, and profit growth (Hultman et al.,
Thus, marketing performance is the perceptions regarding any outcomes that indicate firms’ success including customer satisfaction, customer acceptance, sales growth, market share, and overall performance (Barczak et al., 2008; Hultman et al., 2011; Jampaphang and Ussahawanitchakit, 2013).

2.7 Long Term Vision.

Vision is a future image of the business. Vision is a basic factor which reveals clear conception of the present situation and the future objectives, and exhibits the objective of a business. The most essential use of vision for organizations is that it leads to methods for attaining goals and objectives (Ozmen and Sumer, 2011). Moreover, long-term vision can be implicit as the anticipated or planned future state of an organization in terms of its important objectives and/or strategic direction. The vision of long-term vision describes how the organization would like the world to be in which it operates. In other words, it is the business vision which is the general purpose of the organization, preferably replicating the potentials and value of the major stakeholders of the business organization (Jackson and Schuler, 1995). There has been some research on the importance of vision as well as its construction to effective organizational outcomes. Thus, vision focuses on what is actually important for organizations (Conger, 1998) including future foresight with a core purpose. Moreover, vision can provide effort for organizational change (Belasco and Stayer, 1994). In addition, the vision announcement involving organizational future, innovation, motivation or purpose is essentially applied (List et al., 2012). Thus, long term vision is defined as a viewed guideline or an idealized goal to clarify of the firm’s operations, illustrating long-term planning for future achievement based on the literature reviewed above, long-term vision enhancement has the potential capability to enhance new management method experimentation, proactive organizational development implementation, modern human resource management establishment, integrative performance evaluation presentation, and value-added working system enhancement (Jackson and Schuler, 1995; Ozmen and Sumer, 2011; List et al., 2012). As a result, this study implies that long term vision focus will have a positive effect on marketing innovation strategy. Thus, we hypothesize the relationship as follows:

Hypothesis 8a-c: Long term vision has a positive influence on marketing innovation strategy (a) learning orientation, (b) firm entrepreneurship, and (c) R&D innovation strategy.

2.8 Marketing Resource.

Marketing resource is defined as marketing outcome (Wernerfelt, 1984) describes the firm’s resources as a huge can of worms. Consequently, attempts to enumerate this resource base are available. For example, an early contribution by Hofer and Schendel (1978) classified a firm’s resources as finance, physical, human, organization or technology. In one of the most cited pieces, Barney (1991, p. 101) described the firm’s resources as comprising all assets, capabilities, organizational processes, firm attributes, information, knowledge, etc. and there have been many other classifications. Gilbert et al. (2005) demonstrate how IBM marketed their human and technical competencies to transform themselves from a product company to a solution provider. But to imply that this was a unique or unusual initiative would be highly questionable identified four categories of market-based resources—customer linking capabilities, market innovation capabilities, human resource assets, and reputational assets (Hooley et al., 2005). Thus, Marketing resources define as resource, knowledge, capability, of firm. As a result, this study implies that marketing resource focus will have a positive effect on marketing innovation strategy. Thus, we hypothesize the relationship as follows:

Hypothesis 9a-c: Marketing resource has a positive influence on marketing innovation strategy (a) learning orientation, (b) firm entrepreneurship, and (c) R&D innovation strategy.

2.9 Technology Growth

Technology growth refers to the skip advance and speed of forward change of technology associated with new technology products with an impact on firm operation procedures (Glazer and Weiss, 1993). Technology advances have revolutionized business processes and practices. For example, the emergence of the information technology has revolutionized the way we provide information, communication and transactions. The speed of technological development is getting
higher permanently; it is getting more intensive and virtually all technologies develop in an amazing situation. Growth of technology also supports an organization when it decides to choose the best coordination mechanisms and implements into organization systems. To deal with this rapid growth, firms need to continuously modify their processing systems and develop workforce to support new work procedure. Technological changes continuously generate new challenges and chances for investment in employee development, these chances need to occupy and change into value through effective and dynamic technology management (Rudez and Mihalic, 2007). Nowadays, firms need to acquire new idea to choose new technology from learning partnership and customers’ ideas and suggestions that impact on business process and cultural development. Therefore, firms must have technology changes in the growth of technology enterprise from external organizations continuously (Allred and Swan, 2004). Firms can focus production advantages through both the integration of new technology and the development of employee expertise. Similarly, the organizational technology process is a learning process through which a stream of new technological knowledge is originated. Shorter product life and the consequent need for workers to be able to absorb new skills quickly impact on education and training needs. The company offers on and off-site classroom education and training, laboratory training, and structured training in the workplace for employees at all levels of the organization. Therefore, firms must be a set of technological resource, both hardware and software utilizations, which support different application characteristics of learning activities such as technologies for distributing knowledge, knowledge discovery, knowledge creation and storage (Jitnom and Ussahawanitchakit, 2010). Then, firms should invest on human resource development as well as on technology investment. Likewise, the study of Jitnom and Ussahawanitchakit (2010) show that the higher the continuous technology growth is, the more likely that the firms will have strategic learning capability that leads to firm performance. As a result, this study implies that technology growth focus will have a positive effect on marketing innovation strategy. Thus, we hypothesize the relationship as follows:

**Hypothesis 10a-c:** Technology growth has a positive influence on marketing innovation strategy (a) learning orientation, (b) firm entrepreneurship, and (c) R&D innovation strategy.

### 2.10 Moderating Effects of Market Culture

Market Culture is defined as organizational culture which is the pattern of shared values and beliefs, that help employees understand and believe that the marketing function creates value for the existing customers and achieves excellence in business and firm performance (Narver and Slater, 1990) and firm generates a pattern of an organization-specific system based on marketing orientation about responsiveness customer needs, in which the corporate memberships hold to corporate norms (Carr and Lopez, 2007). Therefore, this study imposes market culture, it patterns of shared values and beliefs, that help employees understand and believe that the marketing function creates value for the existing customers and achieves excellence. These factors enhance firm to establish innovation within the firm (Weerawardena, 2003). Therefore, the research relation is hypothesized as follows:

**Hypothesis 11a-c:** Market culture will positively moderate relationship between long term vision and (a) learning orientation (b) customer relationship (c) R&D innovation strategy.

**Hypothesis 12a-c:** Market culture will positively moderate relationship between marketing resource and (a) learning orientation (b) customer relationship (c) R&D innovation strategy.

**Hypothesis 13a-c:** Market culture will positively moderate relationship between technology growth and (a) learning orientation (b) customer relationship (c) R&D innovation strategy.

### 3. Research Methodology

#### 3.1 Sample Selection and Data Collection Procedure

The samples in this study are furniture and home decorated businesses in Thailand. The source for the sample was taken from the Department of International Trade Promotion; Ministry of Commerce Thailand which provided 738 firms (http://application.ditp.go.th/ February 2015). A mail survey is collected through the questionnaire. The questionnaire was sent to 738 firms, and marketing manager or marketing director is set as the key respondents. The respondents were 87 received with only 82 were usable. Furthermore, a non-response bias was tested by comparing early
to late respondents. The results derived from a T-test comparison revealed that there was no significant difference between early and late respondents. The returned questionnaires were counted as a non-response bias (Armstrong and Overton, 1977).

3.2 Variables
In this research, marketing performance is the dependent variable of the research, and it is the operational outcomes by linking it to both inside and outside that enhance marketing creativity. A five-item scale was developed to measure how firms explicitly achieve an operational outcome by focusing on sales growth, revenue, market share, ability to acquire new customers, increase sales to existing customers, and low cost (Hooley, Geenly, Cadogan, and Fahy, 2005 : Slater, Hult and Olson, 2010).

3.3 Independent Variable
3.3.1 Marketing innovation strategy.
The focus construct of this research. It comprises three dimensions: namely, learning orientation, firm entrepreneurship, and R&D innovation strategy. Firstly, Learning Orientation (LO) is measured by seven-item scale. This ability of learning includes new knowledge created (Slater and Naver, 1995), innovation skills, innovation metrics, information technology innovation, and management process (Hamel, 2000). It defines as activity that focused on promoting and supporting opportunities for learning. There are numerous skills contributing to creativity. The firm supports of learning orientation generate to value creation (Wu, 2013) leading to implement the organizational practices. Secondly, Firm entrepreneurship (FE) is assessed by five-item scale and it refers entrepreneurship includes entrepreneurial practices within organizations (Stevenson & Jarillo, 1990; Stopford & Baden-Fuller, 1994), franchising (Shane & Hoy, 1996), acquisition practices (Gartner, 1990) and opportunity recognition (Renko, Shrader, & Simon, 2012). Thus, the firm entrepreneurship influences firm performance including knowledge-based resources (Wiklund & Shepherd, 2003), culture (Kreiser, Marino, & Weaver, 2002), dynamism (Lumpkin & Dess, 2001) and hostility (Becher & Maurer, 1999; Zahra & Garvis, 2000). The firm entrepreneurship and innovation relationship have served as the foundation for strategy research. Finally, R&D innovation strategy (RDI) assessed by ten-item scale and refers on program and process including innovation creation (Nohria & Gulati, 1996; Utterback, 1975), innovation adoption (Dodgson, 1993) and innovation diffusion (Huarng, 2010; Huarng, 2011; Rogers, 1995) and emphasis on price, quality and customer satisfaction, and requiring an increased recognition of innovation (Barkema, Baum, & Mannix, 2002; Chaston & Scott, 2012; Pettigrew, Woodman, & Cameron, 2001; Woodside, Ko, & Huan, 2012). Likewise, scholars describe about good teamwork that is created by nature of integration including flexibility and coordination among a unit within the firm, consisting of level of interested, trust and awareness of staff. These are shown in inter-functional climate (Moenael et al., 1994).

3.3.2 New Product Development (NDP)
The evaluated by five-item scale, and defined as the firm’s capability of building or improving products and firm launching the fresh products into a marketplace at a high of quality, low cost and at the appropriate time launching a new product. Similarly, scholars mentioned that customers perceive quality products and good prices for the best choices (Racela and Thoumrunroje, 2010; Hult et al., 2004) and pertaining to the process of originating, establishing, and introducing a new product/service to the market for achieving the goals of the firm (Charpavang and Ussahawanitchakit, 2011; Nonaka and Sivakumar, 1996). Customer Responsiveness (CR) is assessed by six-item scale and refers to the firm’s ability to quickly respond and helpfulness of the services to customers (Lee and Lin, 2005). Thus, a firm has an ability to sense and respond to the market needed by collecting and disseminating market information throughout the organization increasing customer satisfaction (Deighton, 1997). Marketing Effectiveness (ME) is assessed by four-item scale and refers to as the operation to optimize marketing spending to obtain greater results of objectives both short and long-term (Nwokah and Ahiauzu, 2008). Marketing effectiveness has four basic facets, including corporate, competitive, customer, and exogenous factors (Nwokah, 2006). Marketing Advantage (MA) is assessed by five-item scale and refers to the firm’s action or firm’s
capability to design, create and develop a distinctive image of product offerings that overcome the competitors’ position (Kotler and Keller, 2009; Phokha, Ussahawanitchakitm, 2011).

3.3.3 Long Term Vision (LTV)

The assessed by four-item scale and refers to as a viewed guideline or an idealized goal to clarify of the firm’s operations, illustrating long-term planning for future achievement based on the literature reviewed above, long-term vision enhancement has the potential capability to enhance new management method experimentation, proactive organizational development implementation, modern human resource management establishment, integrative performance evaluation presentation, and value-added working system enhancement (Jackson and Schuler, 1995; Ozmen and Sumer, 2011; List et al., 2012). Marketing Resource (MR) is assessed by five-item scale and refer to four categories of market-based resources—customer linking capabilities, market innovation capabilities, human resource assets and reputational assets (Hooley et al., 2005). Thus, marketing resources define as resource, knowledge, capability, of firm. Technology Growth (TG) is assessed by three-item scale and refers to the skip advance and speed of forward change of technology associated with new technology products with an impact on firm operation procedures (Glazer and Weiss, 1993). Technology advances have revolutionized business processes and practices. For example, the emergence of the information technology has revolutionized the way we provide information, communication and transactions. The speed of technological development is getting higher permanently; it is getting more intensive and virtually all technologies develop in an amazing situation. Growth of technology also supports an organization when it decides to choose the best coordination mechanisms and implement into organization systems.

3.4 Moderating Variables

3.4.1 Market Culture (MC)

The assessed by six-item scale and refers to organizational culture which is the pattern of shared values and beliefs, that help employees understand and believe that the marketing function creates value for the existing customer and achieves excellence in business and firm performance (Narver and Slater,1990) and firm generates a pattern of an organization-specific system based on marketing orientation about responsiveness customer needs, in which the corporate memberships hold to corporate norms (Carr and Lopez, 2007). This implies that it can lever marketing innovation which supports marketing performance.

3.5 Control Variables

3.5.1 Firm size

Is measured by the number of full-time employees presently in the firm (Yan et al., 2010; Kotabe et al., 2011). In this study, firm size is represented by a dummy variable, including 0 (less than 50) and 1 for others.

3.5.2 Firm age is measured by the number of years that a firm has operated (Lahiri et al., 2009; Yan et al., 2010). In this study, firm age is represented by a dummy variable, including 0 (less than 10 years) and 1 for others.

3.6 Reliability and Validity

Factor analysis was firstly used to assess the underlying relationships of a large number of items and to determine whether they can be reduced to a smaller set of factors. The factor analysis was conducted separately on each set of the items representing a particular scale due to limited observations. With respect to confirmatory factory analysis, this analysis has a high potential to inflate the component loadings. Thus, a higher rule-of-thumb, a cut-off value of 0.40 was adopted (Nunnally and Bernstein, 1994). All factor loadings are greater than the 0.40 cut-off and are statistically significant. The reliability of the measurements was evaluated by Cronbach alpha coefficients. In the scale’s reliability, Cronbach alpha coefficients of marketing resource (MR) is least 0.599. And all shared variances extracted for each construct are acceptable as they exceed the recommended 0.5 value (Bagozzi & Yi, 1988; Fornell & Larcker, 1981). Thus, these measures are deemed appropriately for further analysis because they express an accepted validity and reliability in this study. Table 1 presents the results for both factor loadings and Cronbach alpha coefficients for multiple-item scales used in this study.
3.7 Statistical Techniques

The ordinary least squares (OLS) regression analysis is used to test and examine all hypotheses following the conceptual model. Then, the aforementioned variables play significant roles in explaining the research relationships. Since the dependent variables, independent variables, moderating variable, and the control variables in this study were neither nominal data nor categorical data, OLS is an appropriate method for examining the hypothesized relationships (Hair, et. al., 2010). With the interest of understanding the relationships in this study, the research model of these relationships is depicted as follows:

Equation 1: \[ NPD = \beta_0 + \beta_1 LO + \beta_2 FE + \beta_3 RDI + \beta_4 FAGE + \beta_5 FSIZ + \varepsilon_1 \]
Equation 2: \[ CR = \beta_0 + \beta_6 LO + \beta_7 FE + \beta_8 RDI + \beta_9 FAGE + \beta_{10} FSIZ + \varepsilon_2 \]
Equation 3: \[ ME = \beta_0 + \beta_{11} LO + \beta_{12} FE + \beta_{13} RDI + \beta_{14} FAGE + \beta_{15} FSIZ + \varepsilon_3 \]
Equation 4: \[ MA = \beta_0 + \beta_{16} LO + \beta_{17} FE + \beta_{18} RDI + \beta_{19} FAGE + \beta_{20} FSIZ + \varepsilon_4 \]
Equation 5: \[ MP = \beta_0 + \beta_{21} LO + \beta_{22} FE + \beta_{23} RDI + \beta_{24} FAGE + \beta_{25} FSIZ + \varepsilon_5 \]
Equation 6: \[ MA = \beta_0 + \beta_{26} NPD + \beta_{27} CR + \beta_{28} ME + \beta_{29} FAGE + \beta_{30} FSIZ + \varepsilon_6 \]
Equation 7: \[ MP = \beta_0 + \beta_{31} LO + \beta_{32} FE + \beta_{33} RDI + \beta_{34} FAGE + \beta_{35} FSIZ + \varepsilon_7 \]
Equation 8: \[ LO = \beta_0 + \beta_{36} LTV + \beta_{37} MR + \beta_{38} TG + \beta_{39} FAGE + \beta_{40} FSIZ + \varepsilon_8 \]
Equation 9: \[ FE = \beta_0 + \beta_{41} LTV + \beta_{42} MR + \beta_{43} TG + \beta_{44} FAGE + \beta_{45} FSIZ + \varepsilon_9 \]
Equation 10: \[ RDI = \beta_{46} + \beta_{47} LTV + \beta_{48} MR + \beta_{49} TG + \beta_{50} FAGE + \beta_{51} FSIZ + \varepsilon_{10} \]
Equation 11: \[ LO = \beta_{52} + \beta_{53} LTV + \beta_{54} MR + \beta_{55} TG + \beta_{56} MC + \beta_{57} MC + \varepsilon_{11} \]
Equation 12: \[ FE = \beta_{58} + \beta_{59} LTV + \beta_{60} MR + \beta_{61} TG + \beta_{62} MC + \beta_{63} (MR*MC) + \beta_{64} FSIZ + \varepsilon_{12} \]
Equation 13: \[ RDI = \beta_{65} + \beta_{66} LTV + \beta_{67} MR + \beta_{68} TG + \beta_{69} MC + \beta_{70} MC + \beta_{71} MC + \beta_{72} MC + \beta_{73} MC + \beta_{74} MC + \beta_{75} (MC*MC) + \beta_{76} FSIZ + \beta_{77} FSIZ + \varepsilon_{13} \]

4. Result and Discussion

Table 2 as shown below represents the descriptive statistics and correlation matrix for all variables. With respect to potential problems involving multicollinearity amongst independent variables, variance inflation factors (VIF) were used to prove this problem. The range of VIFs is from 1.046 to 1.7, which was below the cut-off value of 10 recommended by Neter et al. (1985). It means that the independent variables are not correlated with each other. Therefore, it can be summarized that there are no critical multicollinearity problems encountered in this study.

<table>
<thead>
<tr>
<th>Item</th>
<th>Factor Loading</th>
<th>Cronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning orientation (LO)</td>
<td>.304-851</td>
<td>.805</td>
</tr>
<tr>
<td>Firm entrepreneurship (FE)</td>
<td>.496-789</td>
<td>.706</td>
</tr>
<tr>
<td>R&amp;D innovation strategy (RDI)</td>
<td>.493-742</td>
<td>.763</td>
</tr>
<tr>
<td>New product development (NPD)</td>
<td>.566-626</td>
<td>.729</td>
</tr>
<tr>
<td>Customer responsiveness (CR)</td>
<td>.454-884</td>
<td>.777</td>
</tr>
<tr>
<td>Marketing effectiveness (ME)</td>
<td>.601-875</td>
<td>.680</td>
</tr>
<tr>
<td>Marketing advantage (MA)</td>
<td>.611-702</td>
<td>.642</td>
</tr>
<tr>
<td>Long term vision (LTV)</td>
<td>.757-902</td>
<td>.663</td>
</tr>
<tr>
<td>Marketing resource (MR)</td>
<td>.484-765</td>
<td>.599</td>
</tr>
<tr>
<td>Technology growth (TG)</td>
<td>.882-960</td>
<td>.909</td>
</tr>
<tr>
<td>Market culture (MC)</td>
<td>.454-707</td>
<td>.825</td>
</tr>
<tr>
<td>Marketing performance (MP)</td>
<td>.661-905</td>
<td>.854</td>
</tr>
</tbody>
</table>
Table 3 shows the results of OLS regression analysis of the relationships amongst each dimension of marketing innovation strategy and the consequences among new product development, customer responsiveness, marketing effectiveness, marketing advantage, and marketing performance which are hypothesis H1 posits that learning orientation has a positive influence on (a) new product development, (b) customer responsiveness, (c) marketing effectiveness, (d) marketing advantage, and (e) marketing performance. From table 3, learning orientation is found to significantly affect customer responsiveness (b = .292, p < .05), marketing effectiveness (b = .242, p < .05), marketing advantage (b = .266, p < .05), and marketing performance (b = .627, p < .05).
Thus, Hypotheses 1b, 1c, 1d, 1e are supported, but Hypothesis 1a is not. Learning orientation is a strategy that a firm provides for better to generate customer responsiveness, marketing effectiveness, and leads the firm to have a positioning marketing advantage that can lead to superior marketing performance. Hypothesis 2, firm entrepreneurship is not supported. Hypothesis 3 posits that R&D innovation strategy positively affects new product development (b = .507, p < 0.01), and marketing effectiveness (b = .384, p < 0.01). Thus, Hypothesis 3a and 3c are strongly supported, but Hypotheses 1b, 1d, and 1e are not. For the third strategy of marketing innovation strategy is R&D innovation strategy can establish new product development and lead the new product development to marketing effectiveness. For Hypothesis 4, new product development is posited to have positive effect on marketing advantage (b = .236, p < 0.1), the results show that, Hypothesis 4 is supported. Hypothesis 5 customer responsiveness is posited to have positive effect on marketing advantage is not supported, but Hypothesis 6 marketing effectiveness is posited to have positive effect on marketing advantage (b = .229, p < 0.01). Thus, Hypothesis 6 is supported; it shows that marketing effectiveness influences to marketing advantage. Finally of Hypothesis on the consequences dependent variable is Hypothesis 7 marketing advantage is posited to have positive effect on marketing performance (b = .339, p < 0.01), the result is strongly supported.

6. Contributions and Direction for Future research

6.1 Theoretical Contribution

This study is intended to provide a clearer understanding of the relationships between marketing innovation strategy and marketing performance via new product development, customer responsiveness, marketing effectiveness, and marketing advantage. Marketing innovation strategy has three dimensions, including learning orientation, firm entrepreneurship, and R&D innovation
strategy. It provides a unique theoretical contribution, expanding on previous knowledge and literature of marketing innovation strategy. According to the results of the moderating effect market culture, the need for further research should be conducted.

6.2 Managerial Contribution

This study also provides important results to executives and marketing managers who are responsible for strategic planning. It helps them justify key support of three dimensions of marketing innovation strategy that may be more critical on new product development, customer responsiveness, marketing effectiveness, marketing advantage and marketing performance. Accordingly, marketing innovation strategy is important of marketing performance. Managers should thoroughly understand, manage, and utilized marketing innovation strategy leading to business growth, has superior performance and firm sustainability.

Researchers in this study should be used to determine the real empirical sample set. Also, this study investigates the effect of three antecedents comprising long term vision, marketing resource, technology growth on three dimensions of marketing innovation strategy. In addition, the moderating effect of market culture is also examined on the relationship between long term visions, marketing resource, technology growth on three marketing innovation strategies. There are 82 firms of furniture and home decorates employed as the sample of the study. The data is analyzed by regression analysis. The results show that each dimension of marketing innovation strategy has an effect on consequence in different ways. Learning orientation has a positive effect on customer responsiveness and marketing effectiveness, and R&D innovation strategy. However, new product development and marketing resource influence on marketing advantage and leading firm to marketing performance. In addition, four antecedents including long term vision, marketing resource and technology growth have a positive impact on marketing innovation strategy in different dimensions. Moreover, the results also indicate that marketing innovation strategy in different dimensions. Moreover, the results also indicate that marketing knowledge diversity cannot moderate all relationships between four antecedents and four dimensions of strategic marketing flexibility. The evidence accordingly will offer guidance for beverage businesses in Thailand to successfully enhance marketing performance.

Reference


