

ศักยภาพทางการตลาดด้านคู่แข่งชั้นเชิงพลวัต
และผลการดำเนินงานทางการตลาด: การวิจัยเชิงประจักษ์
ธุรกิจเฟอร์นิเจอร์ในประเทศไทย
Dynamic Competitor Marketing Capability and
Marketing Performance: An Empirical Research of
Furniture Businesses in Thailand

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บทคัดย่อ

การศึกษานี้เป็นการตรวจสอบอิทธิพลของศักยภาพทางการตลาดด้านคู่แข่งชั้นเชิงพลวัตที่มีต่อผลการดำเนินงานทางการตลาด ในการศึกษาได้ใช้การวิเคราะห์การถดถอยแบบวิธีกำลังสองน้อยที่สุด เพื่อการวิเคราะห์ความสัมพันธ์ระหว่างตัวแปรเหล่านี้ กลุ่มตัวอย่างที่ใช้ศึกษา คือ ธุรกิจเฟอร์นิเจอร์ในประเทศไทยจำนวน 133 แห่ง ผลการวิจัยพบว่าศักยภาพทางการตลาดด้านคู่แข่งชั้นเชิงพลวัตมีบทบาทสำคัญต่อการกำหนดผลลัพธ์ทางการตลาด นอกจากนี้ความสามารถทางนวัตกรรมผลิตภัณฑ์มีความสำคัญในทิศทางบวกกับการตอบสนองต่อตลาดที่เพิ่มขึ้นการเพิ่มการมีส่วนร่วมของลูกค้าและประสิทธิภาพทางการตลาด อีกทั้งการตอบสนองต่อตลาดที่เพิ่มขึ้นมีอิทธิพลอย่างมากต่อประสิทธิภาพทางการตลาด ในทำนองเดียวกันประสิทธิภาพทางการตลาดนำไปสู่ผลการ

ดำเนินงานทางการตลาด การศึกษาเป็นการยืนยันถึงความสำคัญของศักยภาพทางการตลาดด้านคู่แข่งชั้นเชิงพลวัตที่สอดคล้องกับทฤษฎีความสามารถเชิงพลวัต

คำสำคัญ: ศักยภาพทางการตลาดด้านคู่แข่งชั้นเชิงพลวัต ความสามารถทางนวัตกรรมผลิตภัณฑ์ การตอบสนองต่อตลาดที่เพิ่มขึ้น การเพิ่มการมีส่วนร่วมของลูกค้า ผลการดำเนินงานทางการตลาด

Abstract

This study investigated the influences of dynamic competitor marketing capability on marketing outcomes. In this study, ordinary least squared (OLS) regression analysis was employed to examine relationships between these variables. The sample for this study consisted of 133 furniture businesses in Thailand. The results reveal that dynamic competitor marketing capability played a significant role in determining marketing outcomes. In addition, product innovativeness had a significant and positive effect on increased market responsiveness, customer participation enhancement, and marketing effectiveness; and increased market responsiveness greatly influenced marketing effectiveness. Likewise, marketing effectiveness obviously led to marketing performance. This study has confirmed the importance of dynamic competitor marketing capability as consistent with dynamic capability theory.

Keywords: Dynamic competitor marketing capability, Product innovativeness, Increased market responsiveness, Customer participation enhancement, Marketing performance

Introduction

Nowadays, complex business environment, many organizations face increasing pressure about high competition in both the industrial and service sectors. Under the current rapidly changing social, economic, politic

and technology, includes the result of extreme competitive business in globalization (Balas et al., 2014; Hwang and Norton, 2014). The companies need to utilize valuable resources and capabilities through implementing critical operational techniques and reasonable marketing strategies and accept new and creative ideas so as to enable them to cope with these challenges efficiently (Santos-Vijande and Alvarez-Gonzalez, 2007). To survive and succeed business is operating in an environment characterized by information, dynamism, and globalization, driving it to be flexible and reacts quickly to changes in the market (Alghamdi and Bach, 2014).

The importance above-mentioned, affects all firms that are attempting to satisfy and wariness in customer preferences and demands through competition to creative product and service. Businesses must have the capacity and capability to frequently improve and develop their strategic alignment with the internal and external business environment. Therefore, the survival of businesses in the age of dramatic competition depends on marketing capabilities of competitor analysis and other factors affecting the market (Papulova and Papulova, 2006).

Marketing capability refers to the process of integrating the companies, which use the company's resources and skills to understand the needs of customers and competitors, to create different types of products related to the competition and attain brand superiority (Day, 1994; Song et al., 2007). Competitor marketing capability can be understood as a firm-wide effort to understand the market or an industry where it is operating and to continuously monitor the activities of its competitors, learn from their successes and failures to ensure that its own product will be a real improvement over those of its competitors, and deliver superior customer value, which may increase customer satisfaction (Carson and Carson, 2003; Narver and

Slater, 1990). Thus, the importance of dynamic competitor marketing capability (DCMC) is its principal role in formulating the company's strategies, operations, marketing strategy, evaluation in making business and financial decisions, and strategic success of organizations (Akenbor and Okoye, 2011; Malinic et al., 2012).

In addition, it seeks to expand empirical studies of dynamic competitor marketing capability, and to increase the competitive advantage in a Thai context. The population chosen are the furniture businesses in Thailand totaling 495 firms. The furniture businesses in Thailand are interesting to investigate because the furniture industry is important to the economy of the country and growth rate which is increasing at five percent (Kasikorn Research Center, 2015). Furniture businesses face the challenge of competing with numerous local and international competitors, and quickly reacting to dynamic changes in the global economy. The furniture business then needs to change or develop various capabilities to make products successful. Thus, it is necessary in adjusting firm capabilities to respond to worldwide competition, customer needs, and the rapid change of markets and competitiveness that lead to an increase in firm value. Due to the importance and characteristics of the Thailand furniture industry as mentioned above, the selected sample is appropriate for the investigation of the relationships among dynamic competitor marketing capability phenomena and that add value to the business.

According to the intensive literature review and the prior research, by this study, the successful implementation of DCMC is a concomitant orientation toward five new purposed dimensions which are: 1) competitive database development, 2) competitor potentiality analysis orientation, 3) competitor positioning evaluation capability, 4) competitive movement monitoring competency, and 5) competitor performance appraisal concentration. These newly-purposed dimensions of

DCMC are expected to directly facilitate marketing performance through the relationships of product innovativeness, increased market responsiveness, customer participation enhancement, and marketing effectiveness. Hence, the key research question in this paper is, “How does DCMC influence marketing performance?” with the key objective to explore and highlight the relationships between DCMC and marketing performance.

Literature review

In this paper, dynamic competitor marketing capability (DCMC) is the main variable and the center of the framework. To explain and propose the dynamic competitor marketing capability-marketing performance relationships, dynamic capability theory is important for elaborating these research relationships. According to theory of dynamic capability, an important source of firms’ competitive advantage and performance is its capability. This capability focuses on creating, adapting, combining, integrating, and reconfiguring skills, resources and abilities to renew competencies to achieve congruence with changing environments (Teece et al., 1997). In this study, dynamic competitor marketing capability as a one source of firms’ capabilities is valuable and it is a key in driving product innovativeness, increased market responsiveness, customer participation enhancement, marketing effectiveness, and marketing performance.

Dynamic Competitor Marketing Capability

In today’s complex and turbulent environment, the need for competitor analysis is widely recognized and is a legitimate source of competitive advantage (Rostami, 2015). Especially, organizations’ success depends on marketing capabilities of competitor analysis and other factors affecting the market (Papulova and Papulova. 2006). Moreover, superior capabilities in marketing give the firm the ability to

generate and act on information about competitor actions and reactions for a competitive advantage. (Narver and Slater, 1990). Marketing capability is defined as integrative processes designed to apply the collective knowledge, skills, and resources of the firm to the market-related needs of the business, enables the business to add value to its goods and services and meet competitive demands (Potočan, 2011). Thus, DCMC is defined as an ability of a firm to continuously improve its processes to analyze rival marketing activities or assessment information from the marketplace for understanding and responding to the strengths, weaknesses, capabilities and strategies of those rivals that lead to the development of a marketing plan (Im and Workman, 2004; Narver and Slater, 1990). In addition, DCMC consists of five dimensions, namely, competitive database development, competitor potentiality analysis orientation, competitor positioning evaluation capability, competitive movement monitoring competency, and competitor performance appraisal concentration.

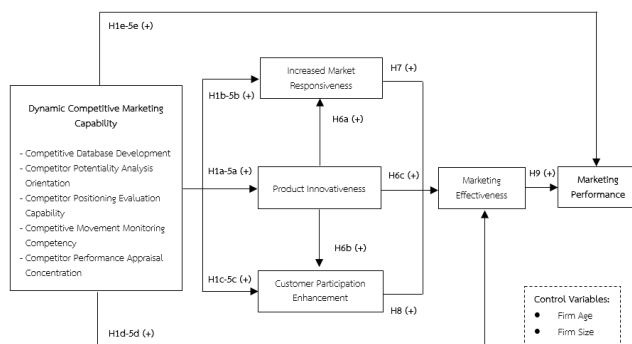


Figure 1 A Conceptual Model of Dynamic Competitor Marketing Capability and Its Consequences

1. Competitive Database Development to the ability of the firms for improvement and advancement in gathering of competing information. Such as systematically collecting, processing, analyzing, and distributing information about market, customers, competitors, technology, and research and development needed to support executives and managers making strategic decisions (Hohhof, 1994). In previous research, it was found that a competitive database and intelligence information generation are critical for the performance of insurance business in the Nigerian (Hamadu et al., 2011). Therefore, the research hypothesis is as follows:

H1: Competitive database development has a positive influence on a) product innovativeness, b) increased market responsiveness, c) customer participation enhancement, d) marketing effectiveness, and e) marketing performance.

2. Competitor Potentiality Analysis Orientation is defined as the firm's emphasis on the process of examining what the rival is up to and staying one step ahead of it, by gathering information about the competitiveness of rivals and then applying this information in a strategic plan. Moreover, Shih et al. (2010), found that the amount of obtaining sufficient competitor analysis is a critical factor in helping business managers gain and maintain a competitive advantage. Therefore, the research hypothesis is as follows:

H2: Competitor potentiality analysis orientation has a positive influence on a) product innovativeness, b) increased market responsiveness, c) customer participation enhancement d) marketing effectiveness, and e) marketing performance.

3. Competitor Positioning Evaluation Capability refers to the ability of the firm to identify the place a rival's occupies in the mind of target market which is significant in development of successful marketing plan (Simkin and Cheng 1997). Previous research indicated

that strategic competitive positioning of service delivery within an organization has a positive impact on customer satisfaction (Asaph and Moses, 2015). Siudak (2001) argued that a good competitive position can be achieved by creating value in the effective enterprise and market. Therefore, the research hypothesis is as follows:

H3: Competitor positioning evaluation capability has a positive influence on a) product innovativeness, b) increased market responsiveness, c) customer participation enhancement d) marketing effectiveness, and e) marketing performance.

4. Competitive Movement Monitoring Competency refers to the ability of the firms to continuously observe marketing activities and strategic marketing procedures wherein are all avenues of the competition landscape. Pitta and Fowler (2005) suggest that competitive monitoring through online social networks assists firms to increase the success in marketing effectiveness. Competitor's movement monitoring enables identification of all available and developing technology collections and allows orientations timing on consumer's behavior and also flourishes innovation of new product (Augusto and Coelho, 2009). Therefore, the research hypothesis is as follows:

H4: Competitive movement monitoring competency has a positive influence on a) product innovativeness, b) increased market responsiveness, c) customer participation enhancement, d) marketing effectiveness, and e) marketing performance.

5. Competitor Performance Appraisal Concentration is defined as firm attention toward the assessment of rivals marketing achievement that allows the business to develop and aim for best practice. Previous research indicated that a manufacturing firm in Nigeria should give priority to the practice of competitor appraisal to enhance its corporate profitability and gains competitive edge over its

competitors (Akenbor and Okoye, 2011). Therefore, the research hypothesis is as follows:

H5: Competitor performance appraisal concentration has a positive influence on a) product innovativeness, b) increased market responsiveness, c) customer participation enhancement, d) marketing effectiveness, and e) marketing performance.

The Relationships among the Consequences of DCMC

This section examines the relationships among the consequences of dynamic competitor marketing capability consisting of product innovativeness, increased market responsiveness, customer participation enhancement, marketing effectiveness and marketing performance. The literature review on the definition of each construct and purposed hypotheses are discussed below.

1. Product Innovativeness refers to the progress of the firm due to improvement in new product development competency where product are continuously created. Moreover, previous researches indicate that the result of product innovation is a strong indicator of financial performance under the modern production and value creation (Goedhuys and Veugelers, 2012). Therefore, the research hypothesis is as follows:

H6: Product innovativeness is positively related to a) increased market responsiveness, b) customer participation enhancement, and c) marketing effectiveness

2. Increased Market Responsiveness as referring the expansion more effectively that reacts quickly to consumer change in order to attract new users, retain loyal customers, and bring novelty faster than rivals (Garrett et al., 2009). Enterprises with strong market responsiveness are likely to have efficiency and effectiveness in products and delivery because they have a better ability in sensing, interpreting and acting on market stimuli, allowing them to become

the first mover (Garrett et al., 2009). Therefore, the research hypothesis is as follows:

H7: Increased market responsiveness is positively related to marketing effectiveness.

3. Customer Participation Enhancement can be defined as marketing activities which encourage a degree of a customer's involvement that relate to the co-create better ideas products that creates the potential for marketing performance (Cermak et al., 1994). This is consistent with Pitta and Fowler (2005) who found that customer participation through social media online as consumer communities assists firms to increase the success in marketing effectiveness. Therefore, the research hypothesis is as follows:

H8: Customer participation enhancement is positively related to marketing effectiveness.

4. Marketing Effectiveness is defined as marketing operations that obtain a greater outcome of marketing goals, both short and long-term, under appropriate marketing strategy, which is distinguished from its competitors (Kumar and Gulati, 2010; Nwukah and Ahiauzu, 2008). Particularly, a firm with high marketing effectiveness is more likely to have an impact on robust market orientation, increasing customer satisfaction, strong market orientation, better competitive advantage, stable long-term growth, and superior firm performance (Ussahawanitchakit and Intakhan, 2011). Therefore, the research hypothesis is as follows:

H9: Marketing effectiveness is positively related to marketing performance.

Research Methodology

Sample Selection and Data Collection

In this study, furniture businesses in Thailand were a population of the study. All 495 furniture businesses in Thailand from Thailand Furniture Industry Association were selected as the samples of the study. A sample size calculation method suggested by Yamane (1973) is used to calculate the number of sufficient members of a sample for this research. In this research, the allowable error can be calculated at five percent ($e = .05$), while 495 is the number of members in the population. After calculation, a sample size of 222 is sufficient for data analysis. However, it is difficult to receive 100 percent of response rate from a mailed data collection method. Thus, 1,110 questionnaires are required ($222 \times (100/20)$) to receive 222 sample size. However, given that the total population is only 495, the whole population was selected for receiving mailed questionnaires for hypothesis testing.

These businesses are important because the furniture industry in Thailand has an important place in the economic system, due to export value, the use of local raw materials, and mostly 90 % are Thai entrepreneurs. The furniture industry in Thailand represents highly competitive industries. With respect to Kasikorn Research, the furniture of Thailand can export to the ASEAN market, especially to CLMV (Cambodia, Laos, Myanmar, Vietnam), resulting in a 5-10% increase in furniture demand, with the total value in export of more 12.5 billion U.S. dollars in 2015 (Kasikorn Research Center, 2015). A mail survey procedure via questionnaire was implemented by using marketing executives as the key informants. The questionnaire was developed from existing literatures of marketing and related fields. Deducting the undeliverable mailing, the valid mailing was 468 surveys, from which 139 responses were received. Of the surveys completed

and returned, there are 133 usable questionnaires. The effective response rate was approximately 28.41%. The number of responses was slightly more than the average number of valid responses received by similar studies (Nakata et al., 2006; Takata, 2016; Veldhuizen et al., 2006). Thus, these usable questionnaires are empirically utilized to measure validation of the research instrument and analyze data for the research results.

Likewise, this study verified potential and non-response bias by centering on a comparison of the first and the second wave data, such as firm experience and firm employee as recommended by Armstrong and Overton (1977). The planned schedule to collect the data was within six weeks. Our final samples of the study are 133 furniture businesses in Thailand. When questionnaires were received, the researchers put them in order, then split them into two equal groups. Accordingly, the first and the second wave data is 66 and 67 respectively. There were no statistically significant differences between first and second groups at a 95% confidence level as firm experience ($t = -.31, p > 0.05$) and firm employee ($t = -1.29, p > 0.05$). According to this regard, neither procedure explicitly showed significant differences.

Variable Measurement

All constructs were measured using a 5-point Likert scale (1 = strongly disagree to 5 = strongly agree), excluding control variables. In addition, all constructs are developed for measuring from definition of each construct and examine the relationship from theoretical framework and prior literature reviews. Hence, the variable measurements of this study are described as follows:

Dependent Variable

Marketing effectiveness and marketing performance are the dependent variables of the study. Four-item scale was developed to assess marketing effectiveness as how firms provide the degree to which the firm is recognized as a market professional, is recognized for outstanding market implementation, its corporate reputation, and awards related to succeed in marketing operations. In addition, four-item scale was issued to examine marketing performance as how firms measure by the level of marketing performance over the prior year, such as sales growth, market share, net profit, and overall marketing performance.

Independent Variables

Independent variables include competitive database development, competitor potentiality analysis orientation, competitor positioning evaluation capability, competitive movement monitoring competency, and competitor performance appraisal concentration. Firstly, four-item scale was issued to assess competitive database development as how firms provide the degree to which one can assess the firm database development, budget, application of technology, and research and development database for competition. Secondly, four-item scale was developed to gauge competitor potentiality analysis orientation as how firms provide the degree of evaluation of the rival competence, the continuous research in potential and progress of a competitor and forecasting a competitor's marketing performance. Thirdly, four-item scale was initiated to measure competitor positioning evaluation capability as how firms provide the degree to which one can assess the rival positioning to understand the position evaluation, position analysis, and benchmarking; and can investigate and forecast customer perception on a competitor's

positioning. Fourthly, four-item scale was initiated to measure competitive movement monitoring competency as how firms provide the degree to which one evaluates the competition as to competitor movement monitoring, exploring attitudes of customers towards the product, changing in marketing operation, and investigating a competitive situation. Lastly, four-item scale was introduced to evaluate competitor performance appraisal concentration as how firms provide the degree to which one assesses the rival's achievement as to monitoring rival performance, inquiries from customers, and analyze competitor accomplishment from past to present.

Mediating Variables

Product innovativeness, increased market responsiveness, and customer participation enhancement are the mediating variables of the study. Four-item scale was developed to examine product innovativeness as how firms create and develop new products, differentiate products, have product uniqueness, and research and develop products with novelty. Next, four-item scale was issued to test increased market responsiveness as how firms are responsive to customer needs, management, adapt the changing marketing environment, customer retention and customer acquisition increase. Finally, four-item scale was established to investigate customer participation enhancement as how firms provide to build marketing activities that allow customers to participate, bring customer suggestions for improvement, is capable to communicate marketing information to the customer, and encourages customer acceptance from past to present.

Control Variables

Two control variables are included in this research. Firm age and firm size are the characteristics that may influence the

hypothesized relationships. This paper firm age was measured by the number of years. Firm age is a control variable that may affect the firm's capability to manage learning market knowledge, perform diversified marketing practices, and achieve marketing performance (Phokha and Ussahawanitchakit, 2011). A firm operating in business for a long time has the ability to allocate and manage organizational resources more effectively than the late entrants (Lau et al., 2008). However, firm size is defined as the operating capital of the firm. It is a significant variable affecting strategic innovation capability. Prior research suggested that the large and complex firms will have greater resources and capabilities than smaller firms (Walter et al., 2006). According to Leiblein et al. (2002), large firms may also have greater marketing power or positional advantages compared to their smaller rivals, and larger firms often have superior finances.

Table 1 Result of Measure Validation

Variables	Factor Loadings	Cronbach's Alpha
Competitive Database Development (CDD)		
Competitor Potentiality Analysis Orientation (CPAQ)	.620-.856	.706
Competitor Positioning Evaluation Capability (CPEC)	.640-.904	.808
Competitive Movement Monitoring Competency (CMMC)	.615-.875	.824
Competitor Performance Appraisal Concentration (CPAC)	.744-.831	.776
Product Innovativeness (PIN)	.822-.897	.877
Increased Market Responsiveness (IMR)	.871-.905	.906
Customer Participation Enhancement (CPE)	.687-.901	.819
Marketing Effectiveness (ME)		
Marketing Performance (MP)	.718-.827	.794
	.744-.902	.842
	.771-.843	.833

The results of measure validation and reliability illustrated in Table 1 The value of factor loadings of each construct are 0.615 (CPEC) to 0.905 (PIN), and are greater than 0.4, which indicates acceptable construct validity (Hair et al., 2010). Moreover, the Cronbach's alpha for all variables are shown between 0.706 (CDD) to 0.906 (PIN), and are greater than 0.70 (Hair et al., 2010). It can be concluded that the internal consistency of the entire scale exists in this research.

Results and Discussion

The descriptive statistics and correlation matrix for variables are provided as shown in Table 2.

Table 2 Descriptive Statistics and Correlation Matrix

Variable	CDD	CPAO	CPEC	CMMC	CPAC	PIN	IMR	CPE	ME	MP
Mean	4.224	4.109	4.252	4.178	3.930	3.626	3.836	3.643	3.734	3.580
SD	.500	.609	.553	.545	.669	.484	.619	.582	.584	.517
CDD	1									
CPAO	.511**	1								
CPEC	.530**	.568**	1							
CMMC	.481**	.587**	.726**	1						
CPAC	.466**	.632**	.648**	.662**	1					
PIN	.524**	-.184*	.415**	.383**	.393**	1				
IMR	.287**	-.292*	.462**	.207**	.254**	.342**	1			
CPE	.497**	.298**	.327**	.248**	.359**	.361**	.535**	1		
ME	.464**	.366**	.441**	.341**	.435**	.634**	.486**	.418**	1	
MP	.208*	.331**	.461**	.260**	.237**	.412**	.613**	.393**	.615**	1

** p<0.01, * p<0.05, a Beta coefficients with standard errors in parenthesis

To verify the multicollinearity problems of the study, multicollinearity might occur when inter-correlation in each predict variable is more than 0.80, which is a high relationship (Hair et al., 2010). The correlations ranging from -.184 to .726 at the $p < 0.05$ level, which means that the possible relationships of the variables in the conceptual model could be tested. Similarly, variance inflation factors (VIFs) were used to provide information on the extent to which non-orthogonality among independent variables inflates standard errors. The VIFs range from 1.092 to 2.536, well below the cut-off value of 10 as recommended by Neter et al., (1985), means that the independent variables are not correlated with each other. Thus, there are no substantial multicollinearity problems encountered in this study.

To investigate the effects of dynamic competitor marketing capability on marketing outcomes, the results of OLS regression analysis of the research relationships are presented in Table 3.

Table 3 Results of OLS Regression Analysis

Independent Variables	Dependent Variables				
	PIN	IMR	CPE	ME	MP
Competitive Database Development	.230** (.067)	.196** (.071)	.346** (.058)	.240** (.070)	.144* (.066)
Competitor Potentiality Analysis Orientation	-.049 (.062)	-.117 (.065)	.232** (.057)	.119 (.069)	.060 (.062)
Competitor Positioning Evaluation Capability	.196** (.070)	.197** (.074)	.275** (.062)	.274** (.075)	.263** (.068)
Competitive Movement Monitoring Competency	.134* (.061)	.409** (.064)	.216** (.056)	.338** (.068)	.520** (.061)
Competitor Performance Appraisal Concentration	.535** (.066)	.334** (.069)	.611** (.060)	.373** (.206)	.017 (.065)
Firm Size (FS)	-.030 (.167)	.682** (.180)	.064 (.150)	.362* (.180)	.431* (.167)
Firm Age (FA)	-.397* (.182)	-.019 (.188)	.304 (.162)	.198 (.196)	.041 (.181)
Adjusted R ²	.462	.405	.577	.338	.427

** $p < 0.01$, * $p < 0.05$, a Beta coefficients with standard errors in parenthesis

Firstly, competitive database development plays an important role in determining the performance of the insurance business in the Nigerian business environment (Hamadu et al., 2011). Similarly Cavalcanti (2005) also confirms the positive relationships between competitive database and company success. Moreover, Souitaris (2002) finds that information and communications are positively associated with innovation performance. As a result, competitive database is an important resource for responding to customers, markets and competitive markets. Accordingly, competitive database development becomes a critical marketing strategic tool in helping firms obtain product innovativeness, increased market responsiveness, customer participation enhancement, marketing effectiveness, and marketing performance. Better competitive database development has a positive relationship with the aforementioned marketing outcomes. Thus, competitive database development is positively to influence product innovativeness ($\beta = .230$, $p < .01$), increased market responsiveness ($\beta = .196$, $p < .01$), customer participation enhancement ($\beta = .346$, $p < .01$), marketing effectiveness ($\beta = .240$, $p < .01$), and marketing performance ($\beta = .144$, $p < .05$). **Therefore, H1a-1e are supported.**

Secondly, competitor potentiality analysis orientation has an important positive determinant of customer participation enhancement ($\beta = .232$, $p < .01$). Firms have implemented the concepts of competitor potentiality analysis orientation in an organization in order to new administrative practices and strategy plans by identifying and allocating resources to the crucial domains of organizational learning that provide the necessary organizational capabilities to achieve a sustainable competitive advantage (Bierly and Hämmäläinen, 1995). The result is similar to Ekaterina and Dornberger (2014), who found that competitor analysis provides a firm with a

better understanding of its environment and customers. It is important for hi-tech companies to improve their performance by implementing market orientated strategies, putting emphasis in conducting effective market research and to be strong in customer and competitor orientation. However, competitor potentiality analysis orientation does not affect changes of product innovativeness ($\beta = -.049$, $p > .05$), increased market responsiveness ($\beta = -.117$, $p > .05$), marketing effectiveness ($\beta = .119$, $p > .05$), and marketing performance ($\beta = .060$, $p > .05$). Accordingly, it was found that competitor potentiality analysis is often accused of fostering the imitation of competitors and consequently of hampering creativity and innovation in a firm (Božić, 2007). Because competitor potentiality analysis emphasizes meeting and beating the competition, a competitor-focused firm compares its capacities and offerings with those of its competitors (Day and Wensley, 1988). In addition, empirical research agreed that competitor potentiality analysis decreases innovativeness and effectiveness only when firms adopt a maximum level of customer orientation (Grinstein, 2008). Then, only competitor potentiality analysis orientation does not drive these aforementioned outcomes. **Therefore, H2c is supported, but H2a, 2b, 2d, and 2e are not.**

Thirdly, competitor positioning evaluation capability plays a significant role in determining product innovativeness, increased market responsiveness, customer participation enhancement, marketing effectiveness, and marketing performance. Quite obviously, several findings found that strategic competitive positioning of service delivery within an organization has a positive impact on customer satisfaction (Asaph and Moses, 2015). Likewise, Siudak (2001) confirmed that good, competitive positioning strategies can be achieved by creating value in the enterprise and effective market. Greater competitor positioning evaluation capability implementation is

positively related to better marketing outcomes. Then, competitor positioning evaluation capability has a positive effect on product innovativeness ($\beta = .196, p < .01$), increased market responsiveness ($\beta = .197, p < .01$), customer participation enhancement ($\beta = .275, p < .01$), marketing effectiveness ($\beta = .274, p < .01$), and marketing performance ($\beta = .263, p < .01$). **Therefore, H3a-3e are supported.**

Fourthly, competitive movement monitoring competency plays an important role in determining the marketing performance. Accordingly prior research suggests that competitor movement monitoring includes information and action approaches of competitor through online social networks assists firms to increase success in marketing effectiveness and offers practical suggestions for maximizing their value in the product development process (Pitta and Fowler, 2005). This is consistent with Singh's and Ranchhod's (2004) findings that suggest competitor orientation has a stronger impact on performance in the context of the British machine tool industry. Marketing management also felt competitor-focus information could serve a key informational role in the monitoring of market movements and the development of strategic response strategies. Also, prior research suggested that information on competitors' strategies would further the company's own selling strategies as they would be able to counteract competitors' moves (Anderson and Guilding, 2006). Better competitive movement monitoring competency has a positive relationship with the aforementioned marketing outcomes. Thus, competitive movement monitoring competency is positively to influence product innovativeness ($\beta = .134, p < .05$), increased market responsiveness ($\beta = .409, p < .01$), customer participation enhancement ($\beta = .216, p < .01$), marketing effectiveness ($\beta = .338,$

$p < .01$), and marketing performance ($\beta = .520$, $p < .01$). **Therefore, H4a-4e are supported.**

Lastly, competitor performance appraisal concentration plays a significant role in determining product innovativeness, increased market responsiveness, customer participation enhancement, and marketing effectiveness. Previous research indicated that competitor performance appraisal, based on published financial statements, have a statistically significant, positive effect on all indicators of competitive advantages, whether it was in financial performance, products, customers, and general performance (Alsoboa and Alalaya, 2015). In addition, empirical research agreed that competitor appraisal can enhance a high-tech firm's ability to analyze and respond to a competitor's strategy, thus allowing it to offer innovative products that differ from those of its competitors (Zhou et al., 2005). Greater competitor performance appraisal concentration implementation is positively related to better marketing outcomes. Then, competitor performance appraisal concentration has a positive effect on product innovativeness ($\beta = .535$, $p < .01$), increased market responsiveness ($\beta = .334$, $p < .01$), customer participation enhancement ($\beta = .611$, $p < .01$), and marketing effectiveness ($\beta = .373$, $p < .01$). **Therefore, H5a-5d are supported, but H5e is not.**

Table 4: Results of OLS Regression Analysis

Independent Variables	Dependent Variables			
	IMR	CPE	ME	MP
Product Innovativeness (PIN)	.338** (.086)	.424** (.088)	.590** (.069)	
Increased Market Responsiveness (IMR)			.313** (.075)	
Customer Participation Enhancement (CPE)			.004 (.074)	
Marketing Effectiveness (ME)				.592** (.065)
Adjusted R ²	.107	.157	.537	.395

** p<0.01, * p<0.05, a Beta coefficients with standard errors in parenthesis

The results of OLS regression analysis of the research relationships are presented in Table 4. Firstly, product innovativeness plays an important role in determining the marketing performance. It is consistent with the work of Naidoo (2010) who found that product innovation will enhance developing products differently and financial performance under modern production, product innovation and value creation. Moreover, previous research indicates that the result of innovation is considered a key contributor to both the long-term survival and development of superior competitiveness (O'Regan and Ghobadian, 2006). Thus, product innovativeness to have a significant and positive effect on increased market responsiveness ($\beta = .338$, $p < .01$), customer participation enhancement ($\beta = .424$, $p < .01$), and marketing effectiveness ($\beta = .590$, $p < .01$). **Therefore, H6a-6c are supported.**

Secondly, prior research found relevant results in which robust market response is more likely to achieve profitability and

sustainable marketing advantage through quickly reacting to changing demands, and is flexible in unique offerings that are faster than a competitor, making for increased customer satisfaction (Garrett et al., 2009). Thus, market response capabilities enable firms to create, improve and introduce new products that respond to customers' needs and preferences, which competency includes high quality, delivery speed, and effective marketing (Joshi and Roh, 2009). Increased market responsiveness has a significant and positive effect on marketing effectiveness ($\beta = .313$, $p < .01$). **Therefore, H7 is supported.**

Thirdly, the results suggest that customer participation enhancement is not significantly influenced as to marketing effectiveness ($\beta = .004$, $p > .05$). According to prior research, relevant results found that customer participation and involvement limits strategic choices in product development and customer information may generate familiar ideas, leading to poor innovation performance (Frishammar and Åke Hörte, 2005). In some cases, too much participation and involvement of the customer may lead to unneeded distractions and confusion, lowering the quality of information for product development and marketing effectiveness (Bonner, 2010). **Therefore, H8 is not supported.**

Fourthly, prior research suggested that relevant results in which a firm has high marketing effectiveness, is more likely to have an impact on robust market orientation, increasing customer satisfaction, better competitive advantage, stable long-term growth, and superior firm performance (Ussahawanitchakit and Intakhan, 2011). In addition, Ussahawanitchakit (2012) found that marketing effectiveness has a strong influence on customer satisfaction, market orientation, long-term growth, organizational profitability, and firm performance. These results express that higher marketing effectiveness is positively related

to greater customer satisfaction and better firm performance. Marketing effectiveness has a positive influence on marketing performance ($\beta = .592, p < .01$). **Therefore, H9 is supported.**

Conclusion

Dynamic competitor marketing capability becomes a valuable marketing strategic tool in helping firms obtain future opportunities in doing businesses. Hence, the objective of this study is to examine the relationships among dynamic competitor marketing capability, marketing effectiveness and marketing performance of furniture businesses in Thailand. In this study, 133 furniture businesses in Thailand are the samples of the study.

The results suggest that (1) competitive database development has a significant and positive effect on all consequences; (2) competitor potentiality analysis orientation has a positive effect on customer participation enhancement; (3) competitor positioning evaluation capability and (4) competitive movement monitoring competency has a positive effect on all consequences; and (5) competitor performance appraisal concentration has a partially significant, positive influence on all consequences except marketing performance. In addition, product innovativeness has a significant and positive effect on increased market responsiveness, customer participation enhancement, and marketing effectiveness; and increased market responsiveness is critically influenced to marketing effectiveness. Finally, marketing effectiveness explicitly leads to marketing performance in doing business operations and practice within future and long term aspects.

This study proposes five dimensions of dynamic competitor marketing capability which comprise competitive database development, competitor potentiality analysis orientation, competitor

positioning evaluation capability, competitive movement monitoring competency, and competitor performance appraisal concentration, in our understanding of the concept of competitor marketing capabilities and further reconstructing the path from dynamic competitor marketing capability to marketing outcomes of firms on the Thai furniture context from the entrepreneurial perspective, thus explaining how the positive marketing performance of a company is achieved. Particularly, it has highlighted the importance of five dimensions of dynamic competitor marketing capability focus in powering product innovativeness, increased market responsiveness, customer participation enhancement, and marketing effectiveness are important drivers of marketing performance in the market.

Contributions and Directions for Future Research

This study attempts to integrate competitive database development, competitor potentiality analysis orientation, competitor positioning evaluation capability, competitive movement monitoring competency, and competitor performance appraisal concentration as key characteristics of dynamic competitor marketing capability. It confirms that these characteristics play important roles in determining marketing outcomes as congruent with dynamic capability theory. However, competitor potentiality analysis orientation is positively related to only customer participation enhancement. Thus, future research may need to provide more literatures reviews of competitor potentiality analysis orientation relating to importance, necessity, benefit, and contribution of these concepts in order to reconceptualize further research associations. To expand the research results, future research may need to test the direct effects of product innovativeness, increased market responsiveness, customer participation enhancement on marketing performance while the current study did

not. To verify the generalizability of the study, future research may need to collect data from other populations and countries.

Executives of firms can implement and should understand dynamic competitor marketing capability in order to fulfill customer needs, requirements and expectations, increase product innovation, competitiveness, and marketing performance in doing marketing operations, activities and practices within highly and rapidly competitive markets and environments, especially concepts and characteristics of competitive database development, competitor positioning evaluation capability and competitive movement monitoring competency concepts. Furthermore, this paper provides evidence that is useful guidelines for executives for the full use of resources and information, underlying the strategic marketing of firms that can achieve marketing performance over their competitors and enhance the success and sustainability of businesses. The furniture business must be aware of changes in customer needs and preferences marketing; and anticipates competitors' actions and reactions to the development of new ideas and strategies.

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