The effect of marketing capabilities on firm performance: Investigating the moderating role of marketing strategy

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Abstract

Marketing has a significant role in determining the strategic approach and the performance results in a company. Marketing is a technique that will enable an organization to handle the current challenges and obstacles and achieve the desired goals if it is used logically and intelligently in a competitive condition. Therefore, this study aims to investigate the impact of marketing capabilities on company performance regarding the moderating role of marketing strategy. Data in this applied-descriptive research has been collected through questionnaire surveys. A total of 335 copies of the questionnaire were distributed among the food and beverage manufacturing companies in the province of Tehran. Structural equation modeling (SEM) with the help of SPSS and PLS2 has been used for data analyses. The results show that there is a significant relationship between marketing capabilities and company performance. The moderating role of marketing strategy on the relationship between marketing capabilities and the company performance has been proven as well. Given the changing business environment and increasing competition from domestic and foreign competitors, companies must be able to create such a competitive advantage that their competitors cannot easily replicate using internal resources. One of these capabilities is marketing capability. Marketing capabilities can be very important to companies and enhance the performance of a specific company over its competitors.

Keywords: Marketing Capabilities, Firm Performance, Marketing Strategy, Food & Drinking Industry

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1. Introduction

Marketing is a technique that enables an organization to overcome existing challenges and obstacles and help it reach its goals if it is used rationally and consciously in competitive conditions (Srivastava & Reibstein, 2005). In today's dynamic and fragmented markets, market-related capabilities seem to be vital for continuous innovation (Bruni & Verona, 2009). Meanwhile, marketing capability is the source of sustainable competitive advantage leading to superior performance (Hunt & Morgan, 1995; Mohiuddin et al.,2022). Organizations that take advantage of high levels of marketing capabilities are in a better position both to identify and respond to the hidden and obvious needs of customers and to create long-term profitable relationships with their customers (Zhou, 1995; Tajpour et al.,2022).

The existing literature on marketing capabilities indicates that the ability of organizations to deploy resources through organizational capabilities plays a more important role than the absolute levels of resources that lead to performance (Vorhies & Morgan, 2005). In addition, understanding the impact of organizational resources and capabilities on organizational performance is one of the important goals of strategic marketing research (O'Cass & VietNgo, 2012). They also contended that when marketing capabilities are combined with other complementary resources and capabilities such as market-based assets and technology capabilities, they create further improvements in firm performance. Meanwhile, the impact of marketing strategy in the relationship between marketing capability and performance can play an important and influential role (Cacciolatti & Lee, 2016).

Competition is considered as one of the common principles of marketing and capabilities play an important role in acquiring and transferring tangible and intangible resources in order to create value and a competitive advantage (Kozlenkova et al., 2014); therefore, examining the role and effectiveness of marketing capabilities to achieve optimal performance in terms of both competition and achievement of organizational goals by considering one or a number of competitive strategies proves to be important. What is important is how much the existing capabilities can be related to the performance and which capabilities will be more related to the performance of the companies based on the environmental conditions of the Iranian markets.

Therefore, considering the moderating role of marketing strategy, this study aims to investigate the impact of marketing capabilities on the performance of the company. This moderating role has been studied in this industry because the food and beverage industry with a wide range of products is considered as one of the important competitive industries in the country's economic growth. In the following, having addressed the theoretical foundations and background of the study, with the help of Structural Equation Modeling (SEM), which is a mixture of the path analysis diagram and confirmatory factor analysis, the researchers will discuss the model test and the test of the research hypotheses.

2. Theoretical Foundations

From the resource-based perspective, research has recently focused more on the outcomes of resource arrangement processes, often called organizational capabilities (Cacciolatti & Lee, 2016). According to the marketing literature, market-related capabilities facilitate the effective use of market-based assets, are usually related to marketing tasks, and include individual marketing mix elements such as marketing processes. Therefore, marketing capability can be

seen as organizational competencies that support market sensing and customer communication (Zhou & Zhou, 2008).

Marketing expenditures are funds of companies that are allocated to spending on advertising and other marketing communication activities such as digital and mobile marketing, press conferences, experiential marketing events and sales promotions. Previous studies have used components of marketing spending in a variety of definitions depending on their main foci and research design, such as advertising spending or marketing spending that includes both advertising, selling and general administrative costs (Oh et al., 2016).

In a company, marketing expenditures may exceed capital expenditures and although companies do not disclose marketing expenditures as consistently as financial expenditures, marketing expenditures are effective on future sales and market value of a company (Herremans & Ryans, 1995; Sydney-Hilton & Vila-Lopez, 2019). Therefore, it was determined that marketing spending is an investment that will contribute value to the company in the future. One of the factors that causes marketing spending to be seen not only as cost but as investment is the effect of marketing spending on stock value. The increase in the share value is a result of the marketing activity fulfilling all the objectives (Tosun et al, 2021).

Marketing capabilities are complex bundles of firm-level skills and knowledge embedded in organizational processes that carry out marketing tasks and firm adaptation to marketplace changes (Moorman & Day, 2016; Morgan et al., 2012, 2018). Marketing capabilities can have various sources and different origins. Based on Rust et al. (2004), Kozlenkova et al. (2004), and Cacciolatti and Lee (2016), indicators of innovation, creativity, financial accountability, customer relationship and interdepartmental cooperation are introduced as marketing capability indicators. In addition, marketing strategy is the appropriate allocation and coordination of marketing activities and resources to meet the operational goals of the company in terms of a specific market-product (Walker et al., 2010). In the past years, researchers have used different strategies depending on their various research goals.

Among the marketing strategies are the marketing strategy of Porter, Snow and Miles, Ensef, and the like. Many researchers use Porter's marketing strategy due to its generality. Relying on Mariadoss et al. (2011), Theodosiou et al. (2012), and Cacciolatti and Lee (2016), this study defines organizational performance as a criterion for measuring the good and effective achievement of an action on the set goals, which can be estimated by the efficiency and effectiveness of the organization in achieving the goals. The dual nature of performance is recognized by Hunt and Morgan (1996). A specific measure of financial performance can be useful as either return on assets or return on equity. Also, the specific reference may be the performance of the company itself in the previous time period or a comparison with a set of competing companies(Hosseini et al.,2022). As a result, in this study, the performance variables are measured by the indicators of the company's goals and competitors.

3. Literature Review

With regard to investigating the impact of marketing capabilities on company performance, several studies have been conducted. However, there is a paucity of studies examining these variables by adjusting marketing strategies or in the food and beverage industry. Table 1 summarizes the results of some related studies in this domain.

Table 1. *Summary of the results of the studies*

Studies	Findings
Tosun et al., (2021)	One of the factors that cause marketing spending to be seen not only as cost but as investment is the effect of marketing spending on stock value. The increase in the share value is a result of the marketing activity fulfilling all the objectives.
Herremans & Ryans, 1995; Sydney-Hilton &Vila-Lopez, (2019).	marketing expenditures are effective on future sales and market value of a company.
Cacciolatti & Lee (2016)	Among marketing capabilities, responsiveness, creativity, and collaboration have a direct impact on performance. Regarding the moderating role, as differentiation strategy and cost leadership strategy are adopted, performance increases accordingly.
Akben-Selcuk (2016)	pointed out to the interrelations between financial performance and competitiveness. In this context, it is notified that firms' competitiveness can be denied in the light of their abilities to survive in competitive business environment and delivering effective responsiveness to market. Competitiveness of organizations is equated with the concept of long-run profit generation
Oh et al., 2016	Previous studies have used components of marketing spending in a variety of definitions depending on their main foci and research design, such as advertising spending or marketing spending that includes both advertising, selling and general administrative costs
Sok et al. (2013)	There is a positive and significant relationship between performance and marketing, innovation, and learning capabilities, and these capabilities always affect the performance of small and medium-sized companies.
Wu & Sivalogathasan (2013)	Intellectual capital has a positive effect on innovation capability, and there is a positive and significant relationship between innovation capability and organizational performance.
Theodosiou et al. (2012)	Market disturbances, competition intensity, and lack of focus in decision-making play a central role in determining strategic management priorities. In addition, the orientation of competitors and the trend of innovation have contributed significantly to the development of marketing capabilities. In turn, marketing capabilities have also had a positive impact on company performance.
Mariadoss et al. (2011)	Strategies based on innovation and marketing capabilities have an effect on performance and creating a competitive advantage.
Merrilees et al., (2011)	Marketing ability and innovation are the most important factors affecting the performance of small and medium companies.
Liargovas & Skandalis (2010)	measured firms' competitiveness level in terms of financial performance, which is highly impacted by effectiveness of financial decisions. It is notified that various financial performance measures are used for measuring the level of firms' competitiveness, such as return on sales, return on assets, and return on equity.
Morgan et al. (2009).	Market orientation has a direct effect on the company's return on assets, and in addition to a direct effect on the company's performance, marketing capabilities have a direct effect on the company's return on assets.

4. Method

This applied study enjoys a descriptive and correlational type of research. The statistical population of the study encompassed 1405 active food and beverage production companies in the province of Tehran. Relying on Cochran's formula, the researchers selected 335 samples, and one expert from each company, including the CEO, senior managers, or any of the managers related to marketing and sales issues, was selected to complete the questionnaire. Also, the questionnaire based on Cassiolati and Lee's (2016) conceptual model contained 38 items, and the logical (face and content) of validity the questionnaire was examined and confirmed by experts. The reliability of the questionnaire was obtained using Cronbach's alpha coefficient method, and the number was 0.94, which indicates the high reliability of the questionnaire. In Table 2, the reliability values for each of the research variables are presented.

Table 2. *Cronbach's alpha coefficients for each variable*

Variables	No. of items	Cronbach's alpha coefficients
Stated goals	6	0. 87
Competitors	6	0.89
Financial accountability	3	0.712
Communication with customers	4	0.753
Creativity	5	0.841
Innovation	4	0.802
Interdepartmental cooperation	8	0.884
Marketing Strategies	2	0.701
The whole questionnaire	38	0.942

In addition, the Average Variance Extracted (AVE) and Composite Reliability (CR) were used to investigate the relationship between the dimensions of a structure and that structure.
The amount of the AVE represents the average variance shared between each of the dimensions of the construct and its related items. The criterion value for the acceptance level of this index is 0.5. Also, CR is actually the ratio of the total non-possible factor loads to the total factor loads plus the error variance, and the value of this index should not be less than 0.7. Table 3 shows the values of CR and AVE.

Table 3. *CR and AVE values*

Dimensions of the construct	AVE	CR
Marketing capability	0.6333	0.8348
Performance	0.8185	0.9001
Marketing strategy	0.5481	0.7101

The research hypotheses, including two main hypotheses and ten sub-hypotheses, are mentioned as follows:

H1: The effect of marketing capabilities on company performance is positive and significant.
H1a: With regard to company goals, the effect of marketing capabilities on company performance is positive and significant.

H1b: With respect to the company competitors, the effect of marketing capabilities on company performance is positive and significant.

H2: Marketing strategy has a moderating effect on the relationship between marketing capabilities and company performance.

H2a: With regard to company goals, extended differentiation marketing strategy has a moderating effect on the relationship between marketing capabilities and performance.

H2b: With regard to company goals, focused/centralized differentiation marketing strategy has a moderating effect on the relationship between marketing capabilities and performance.

H2c: With respect to the company competitors, extended differentiation marketing strategy has a moderating effect on the relationship between marketing capabilities and performance.

H2d: With respect to company competitors, focused differentiation marketing strategy has a moderating effect on the relationship between marketing capabilities and performance.

H2e: With respect to company goals, extended cost leadership marketing strategy has a moderating effect on the relationship between marketing capabilities and performance.

H2f: With respect to company goals, focused cost leadership marketing strategy has a moderating effect on the relationship between marketing capabilities and performance.

H2g: With respect to company competitors, extended cost leadership marketing strategy has a moderating effect on the relationship between marketing capabilities and performance.

H2h: With respect to company competitors, focused cost leadership marketing strategy has a moderating effect on the relationship between marketing capabilities and performance.

5. Findings

The statistical sample of the study consisted of the companies' active in the food and beverage industry in the province of Tehran, whose general demographic information is summarized in Table 4.

Table 4. *General information of food and beverage industry companies*

Row	The name of the active food and beverage products industry group	No. of sample companies	Frequency percentage of the sample	Average number of sample employees
1	Distillation, refining, blending different essence, production of Ethyl alcohol from egg materials	3	1	39
2	Sugar production	8	2	15
3	Production of bakery products	89	27	20
4	Production of starch and starch products	3	1	90
5	Products from milled seeds	24	7	45
6	Production of vegetable and animal oils	6	2	700

| 7	Production, processing, and protection of meat and meat products from spoilage	27	8	47
8	Production of ready-made food for animals	28	8	24
9	Production of cocoa, chocolate, and all kinds of candy	31	9	113
10	Production of non-alcoholic beverages and production of mineral water	11	3	378
11	Production of pasta and other similar flour products	26	8	15
12	Processing and protecting fruits, vegetables, and plants from spoilage	46	14	28
13	Dairy products	33	10	93

The data showed that most of the respondents were in the companies of production of bakery products and processing and protection of fruits, vegetables, and plants from spoilage. In addition, most of the respondents were working in companies with one to fifty employees, and the highest category of company experience (40%) was related to the first age category (1 to 10 years).

To test the research hypotheses, SEM and partial least squares structural equation modeling (PLS2-SEM) software programs were used depending on the type of the hypotheses. Two important features of PLS2-SEM, namely providing appropriate and accurate results even with a small sample size and not requiring to consider the normality of the population, are the reasons it is preferred over LISREL in this study. In the same vein, the normality of the data in this study has been confirmed by the Kolmogorov-Smirnov test. Also, SEM is often used to measure multiple regression equations at the same time. PLS2 is one of the SEM techniques, with partial least squares technique and based on variance.

The SEM results are presented in Figures 2 and 3. Figure 2 shows the research model in the mode of significant coefficients, and Figure 3 shows the research model in the standard estimation mode.
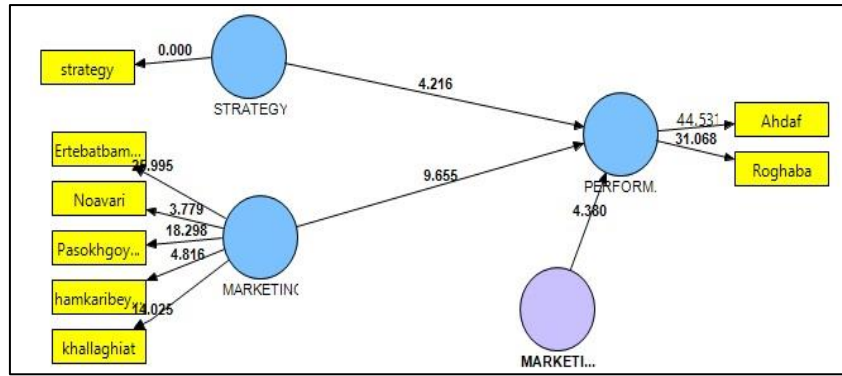
Figure 1. *T-values of the tested research model*
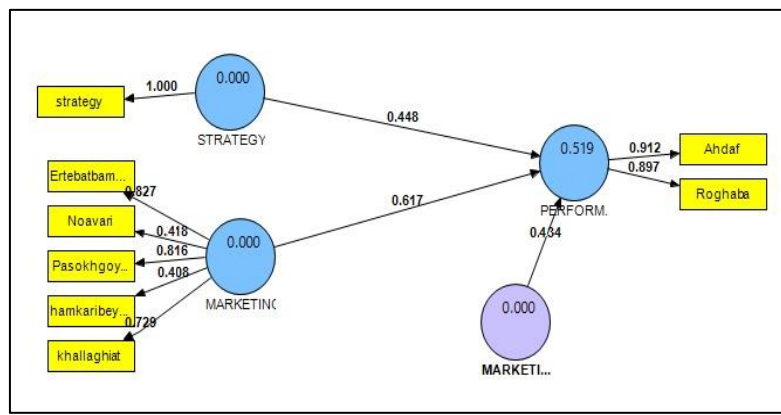
Figure 2. *Path coefficients of the research model*

The first and most basic evaluation criterion is the significant Z coefficients or t-values, which are shown on the path lines by executing the bootstrapping command. If the t-values are greater than 1.96, it indicates the accuracy of the relationship; as a result, the research hypotheses are confirmed at the confidence level of 95%. Because all the t-values are higher than 1.96, the significance of the paths, the appropriateness of the structural model, and the confirmation of all the research hypotheses are confirmed and shown in Table 5.

Table 5. *Summary of the research hypothesis test results*

	Hypotheses	t-values	Path coefficient	Result
Main Hypotheses	The effect of marketing capabilities on company performance is positive and significant.	17.027	0.707	Confirmed
	Marketing strategy has a moderating effect on the relationship between marketing capabilities and company performance.	4.380	0.343	Confirmed
Sub-hypotheses	With regard to the company goals, the effect of marketing capabilities on company performance is positive and significant.	17.391	0.699	Confirmed
	With regard to the company competitors, the effect of marketing capabilities on company performance is positive and significant.	11.181	0.630	Confirmed
	With regard to the company goals, extended differentiation marketing strategy has a moderating	6.588	0.609	Confirmed

effect on the relationship between marketing capabilities and company performance.			
With regard to the company goals, focused differentiation marketing strategy has a moderating effect on the relationship between marketing capabilities and company performance.	5.579	0.508	Confirmed
With regard to the company competitors, extended differentiation marketing strategy has a moderating effect on the relationship between marketing capabilities and company performance.	3.17	0.412	Confirmed
With regard to the company competitors, focused differentiation marketing strategy has a moderating effect on the relationship between marketing capabilities and company performance.	3.365	0.419	Confirmed
With regard to the company goals, extended cost leadership marketing strategy has a moderating effect on the relationship between marketing capabilities and company performance.	4.772	0.443	Confirmed
With regard to the company goals, focused cost leadership marketing strategy has a moderating effect on the relationship between marketing capabilities and company performance.	5.551	0.501	Confirmed
With regard to the company competitors, extended cost leadership marketing strategy has a moderating effect on the relationship between marketing capabilities and company performance.	4.416	0.429	Confirmed
With regard to the company competitors, focused cost leadership marketing strategy has a moderating effect on the relationship between marketing capabilities and company performance.	4.838	0.479	Confirmed

To check the fit of the model in partial least squares, goodness of fit (GOF) criterion is used.

Equation (1) $$GOF = \sqrt{\overline{communality} \times \overline{R^2}}$$

The GOF index in the PLS2 model is a practical solution to check the overall fit of the model, and it works like fit indices in covariance-based methods and can be used to check the validity or quality of the PLS2 model in general. This index also works like the fit indices of the LISREL model and is between zero and one, and the values close to one are an indicator of the appropriate quality of the model. $\overline{communality}$ measures the average contribution of each variable and the quality of the external model. Also, $\overline{R^2}$ is the average R^2 for each exogenous latent variable. R^2 measures the quality of the internal model and is calculated for each endogenous variable according to the latent variable that explains it. The high fit of the model indicates that the model is well explained by partial least squares. If GOF is higher than 0.5, it indicates good fit of the model.

$GOF = \sqrt{0.5203 * 0.5186} = 0.5194$

As a result, the value of the GOF criterion in this study was equal to 0.5194, which shows the overall strong fit of the model considering the three values of 0.01, 0.25, and 0.36 as weak, medium, and strong respectively for GOF. Furthermore, to investigate the effect of the moderating variable in the model, the interactive effect of these two variables (independent variable * moderating variable) was measured on the dependent variable. In addition to that, to

reach the same goal, the effect of the independent variable and the moderating variable was also measured on the dependent variable. If the path coefficient of the interactive variable was significantly different from zero, there is a moderating effect. To evaluate the effect of the moderator variable, the f2 index, which was presented by Cohen (1988) and is calculated using the following formula, is used:

Equation (2) $$f^2 = \frac{R^2_{model\ with\ moderator} - R^2_{model\ without\ moderator}}{1 - R^2_{model\ without\ moderator}}$$

In both the main model and the interactive model, it is calculated to evaluate the overall effect, and the values of 0.02, 0.15 and 0.25 indicate a low, medium and high effect, respectively. According to the obtained f 2 value, it can be concluded that the overall effect of the marketing strategy moderating variable on performance was equal to 0.23; therefore, its effect is medium. Finally, in this part, ANOVA test was used to analyze the dimensions of marketing capabilities according to the type of marketing strategies used by the companies. Table 6 shows that the two of the variables, namely financial accountability and creativity, whose p-value was less than 0.05, caused the assumption of the same mean of four groups of marketing strategies to be rejected. As a result, the variables were different in four different marketing strategies.

Table 6. *One-way ANOVA test results regarding marketing strategies*

Components of marketing capabilities		Sum of Squares	df	Mean Square	F	Sig.
Financial accountability	Between Groups	9.741	3	3.24	4.125	0.021
	Within Groups	140.088	331	0.785		
	Total	149.829	334			
Communication with customers	Between Groups	0.090	3	0.301	0.168	0.826
	Within Groups	58.898	331	0.178		
	Total	58.988	334			
Creativity	Between Groups	12.566	3	4.189	4.862	0.013
	Within Groups	408.266	331	0.861		
	Total	408.832	334			
Innovation	Between Groups	5.374	3	1.179	1.347	0.234
	Within Groups	345.560	331	0.875		
	Total	350.934	334			
Interdepartmental cooperation	Between Groups	6.108	3	2.036	2.245	0.152
	Within Groups	271.850	331	0.906		
	Total	277.958	334			

Post hoc tests are used for additional analyses and for detecting differences within groups. In fact, the aim is to check which group has this difference. Table 7 shows the results of the Scheffé test. In this table, the results of the two variables of financial accountability and creativity can be separately seen by four strategy groups. As the significance level is less than 0.05 for each of these two variables, it can be said that the differences are really significant. For example, the highest score in financial accountability belonged to focused cost leadership strategy followed by focused differentiation strategy. In other words, companies that have adopted a focused strategy have more financial accountability than those with an extended strategy on their actions.

Table 7. *Summary of the Scheffé test results*

Variables	Strategies	Subset for alpha of 5%	No.	Priority ranking	sig.
Financial accountability	Differentiation-Extended	33.154	90	4	0.015
	Cost leadership-Extended	3.543	86	3	
	Differentiation-Focused	3.821	83	2	
	Cost leadership-Focused	4.179	76	1	
Creativity	Differentiation-Extended	4.108	90	1	0.009
	Cost leadership-Extended	3.128	86	4	
	Differentiation-Focused	3.755	83	2	
	Cost leadership-Focused	3.421	76	3	

6. Discussion and Conclusion

The results of the current study showed that there was a meaningful relationship between marketing capabilities and company performance, and the moderating role of marketing strategy on the relationship between marketing capabilities and company performance was also proven.

The first main hypothesis, that is, the positive effect of marketing capabilities on company performance, is consistent with the results of such studies as Sok et al. (2013), Theodosiou et al. (2012), Mariadoss et al. (2011), and Morgan et al. (2009). In addition, the second main hypothesis and sub-hypotheses are also consistent with Cacciolatti and Lee's (2016) results.

Marketing strategy, which means the appropriate allocation and coordination of marketing activities and resources to meet the operational goals of the company in terms of a specific market-product, was measured in this study by the indicators of differentiation and cost leadership. With regard to the moderating strategy, four strategies of extended differentiation, focused differentiation, extended cost leadership, and focused cost leadership were investigated as moderating variables in the main relationship, and their moderating role was confirmed. The results showed that although the moderating role of marketing strategy was confirmed in general, this role was not equally important for all dimensions of marketing capabilities, depending on the Fit indices and supplementary tests.

Additional analyses showed that creativity was more important in companies that used differentiation strategy. Therefore, it is suggested that companies that are looking for a differentiation strategy should try to strengthen their creativity and innovation by attracting creative people, establishing a proposal system, holding group brainstorming sessions, developing a Research and Development unit, to name just a few. Also, financial accountability is more important in companies that use a focused strategy; therefore, companies should strive for proper financial accountability. Better communication and interaction between the

marketing unit and the financial unit is very important in order to report transparent performance and achieve the goals of the organization. The accountable unit should pay attention to this and take responsibility for their activities.

Furthermore, the results showed that the special attention of managers and officials in all food and beverage industry companies toward marketing and its capabilities is necessary to create a better organizational performance. Therefore, companies should increase their knowledge and understanding of their marketing capabilities and implement their strategies. Companies of this industry are suggested to establish a marketing research unit or form a marketing research team to understand the needs and demands of customers and improve communication and service to customers to make their marketing activities more effective. It is also suggested that the more competitive groups of this industry, such as the production of starch products, non-alcoholic beverages, dairy products, and the like, pay more attention to formulating and implementing good strategies.

In this study, the review of the model in the food and beverage industry has been investigated, and it is suggested that other scholars replicate this study in other industries. Moreover, it seems that the examination of other moderating variables such as market orientation can also be considered in other studies. Finally, considering the importance of human capital, it is suggested to address the role of tacit knowledge and employees' experience in the formation of marketing capabilities.

Suggestions for further research based on research findings

1. The analysis of the first main hypothesis reveals a significant connection between marketing capabilities and company performance. It indicates that enhancing marketing capabilities will improve the company's performance. As marketing capabilities include the five dimensions of *financial accountability*, *innovation*, *communication with customers*, *creativity*, and *interdepartmental cooperation*, businesses that aspire to accomplish success in this field must plan accordingly to improve their performance.

2. The analysis of the results associated with the second primary hypothesis shows that the marketing strategy moderates the relationship between marketing capabilities and company performance. Given that the marketing strategy in this study is divided into two parts: differentiation and cost leadership, managers can select the appropriate strategy and use this tool to improve their organization's performance by identifying the target market.

3. Additional research analyses illustrate that companies adopting a differentiation strategy place a greater emphasis on creativity. Therefore, it is suggested that businesses seeking a differentiation strategy should strengthen their creativity and innovation by, among other things, attracting creative individuals, developing a proposal system, holding group brainstorming sessions, and establishing an R&D unit.

4. In addition, the research's supplementary analysis implies that companies with a centralized strategy place a higher premium on financial accountability. Companies should therefore strive for proper financial accountability. Better communication and interaction between the marketing and financial units are crucial for reporting transparent performance and achieving the organization's objectives; accordingly, the relevant unit must pay attention to and assume responsibility for their activities.

5. Since customer communication is the variable with the highest correlation and influence with other variables in the research model, all businesses should pay special attention to it and strive for active customer-orientedness. Given the impact of customer feedback on the improvement and promotion of the products of these types of businesses, more efforts should be made to improve interaction and communication with these stakeholders and solicit their opinions and criticisms.

6. Considering their relative advantage in terms of potential capacities and lack of reliance on imports, the food and beverage industries should strive to strengthen their internal capabilities to the greatest extent possible.

7. Furthermore, all managers and officials in the food and beverage industry must pay special attention to marketing and its capabilities to improve organizational performance. Resultantly, businesses must increase their knowledge and understanding of their marketing capabilities and implement their strategies.

8. It is suggested that the Ministry of Industry and the Ministry of Agricultural Jihad, in collaboration with consulting firms active in the field of commerce, create a database to aid in the analysis of developments in this area. This database can assist all managers in this industry in monitoring the activities of their industry, obtaining analytical reports from it, and moving towards effective networking and enhanced cooperation with rivals.

9. It is recommended that companies in this industry establish a marketing research unit or team to comprehend customers' needs and demands and improve customer communication and service to make their marketing activities more effective.

10. It is suggested that the more competitive sectors of this industry, such as the production of starch products, non-alcoholic beverages, dairy products, etc., devote more time and effort to formulating and implementing suitable strategies.

7. Research limitations

Unquestionably, in the process of conducting any research and scientific project, regardless of type and level, there are a number of factors and obstacles that slow down researchers in their pursuit of the research objective; These obstacles are known as research limitations. The purpose of describing the limitations of the research is not merely for the researcher to cover up the weaknesses and shortcomings of his/her research and use it to justify possible problems; rather, it is so that the reader can make a fair assessment of the research process and, as a result, examine the processes and results with a more realistic perspective.

Nonetheless, the following can be cited as limitations and impediments to the current research:

1. According to the opinions of managers and experts in the food and beverage industry in Tehran province, the results of this study should be extrapolated with caution to the behavior of industries in other provinces.

2. The research findings and results are contingent on the data collection period, which may alter the results as conditions alter over time.

3. Access to some companies in this industry was relatively difficult, and there was insufficient cooperation from companies in providing information, such as financial data.

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