

# Dynamic marketing capability and marketing survival: evidence from auto parts businesses in Thailand

Sarutaya Sukdej

Phaprukbaramee Ussahawanitchakit,  
Mahasarakham University, Thailand

---

## Keywords

Dynamic marketing capability, marketing survival, marketing excellence, marketing vision, marketing productivity

## Abstract

*The fast change of the marketing environments, firms must achieve internal and external resources to create capability of the firms to enhance the competitive advantage. From the marketing view, dynamic marketing capability is important to firm, which can respond to market needs under uncertain situations. This study proposes to investigate the effects of dynamic marketing capability and marketing survival. The result from 150-auto part business in Thailand shows that marketing targeting and positioning capability are the most positively significant to all consequences. Marketing vision has positive influence on dynamic marketing capability. However, innovative climate is not a moderator of marketing learning capability in this study. Theoretical and managerial contributions and suggestion the future research are providing.*

---

## 1. Introduction

Many organizations start to focus on how the organization has the competitive advantage and sustainability. In the past, many organizations had an impact on the environment both inside and outside the organization at all times. Thus, the market environment changes rapidly, it leads to the complexity of the global market. Specifically, in turn, the economy has changed dramatically in the innovation and manufacturing capabilities (Teece, 2007). The company under circumstances which do not certain, of course, will need to create an integrated configuration and manage internal and external talent to challenge the environment in which these uncertainties (Teece et.al 1997; Eisenhardt and Martin, 2000; and Ng, 2007). The marketing literature to investigate the concept of dynamic marketing capabilities, which explains how to use the ability for marketing will benefit from the competition and the performance for a company that is subject to uncertainty and rapid changes of the business environment that we called "dynamic capabilities (Teece, 2007). Therefore, dynamic marketing capabilities is critical for the company.

This study focuses on the business of automobile parts in Thailand as the target group. This is because Thailand is a country where countries increase domestic demand and change in the lifestyle of consumer, especially Thailand growing middle-class and the new employees.

The main research question of this study is, "How does each dimension of dynamic marketing capabilities have an effect on marketing survival?" Consequently, the specific questions include: (1) How does each dimension of dynamic marketing capabilities influence marketing responsiveness, marketing excellence, and marketing productivity? (2) How do customer responsiveness, marketing excellence, and marketing productivity affect marketing survival? (3) How do marketing vision and marketing readiness have effect on dynamic marketing capabilities? (4) How does innovative climate moderate the relationship between each antecedent and dimension of dynamic marketing capabilities?

This study is organize as follows. The first part reviews relevant literature, provides a definition of all variables, and draws the relationship between variables as a conceptual framework. The second part reveals the data collection procedure and data analysis method that is used to test the hypotheses. The third part explains the results of the study, and the final part discusses theoretical and managerial implications, specifies the limitations, and provides direction for future research.

## 2. Literature review and hypotheses developments

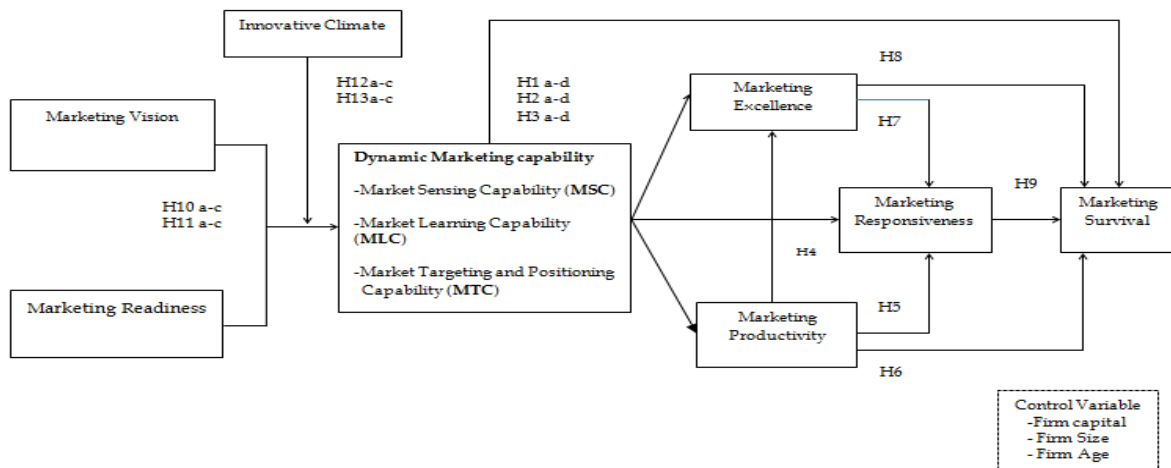
## 2.1 Dynamic Marketing Capability

The concept of marketing capability in the market has many meanings and dimensions. Marketing capability is defined as the process of integrating the companies, which use the company's resources and skills to understand the needs of customers to create different types of products related to the competition and get the brand superiority (Day, 1994; Dutta et al., 1999; Song, Benedetto et al., 2007; Son et al., 2005) and means the ability of the company to the integration of knowledge, skills and processes to meet the needs of customers and build a market opportunity better than competitors (Tuominen, et al. 1997; Vorhies, 1998) and uses resource to relate with customers and can lead to market "market sensing" abilities (Narsimhan et al., 2006). Bruni and Verona (2009) suggest the ability to introduce a dynamic market that enables companies to develop new products for the industry based on science. Grant (1996) believed that the marketing ability can be created by the staffs use their knowledge and skills in marketing leading to the competition ability that changes dynamically. Teece, Pisano and Shuen (1997) define dynamic capabilities with the company's ability to generate renewal integrated adjustment and configuration capabilities, both inside and outside to deal with the changing environment quickly. Many scholars have proposed the concept of a dynamic marketing capabilities by integrating marketing concepts and dynamic capabilities. For example, Bruni et al. (2009) pointed out that the market capacity, dynamic resources, marketing and integration of the knowledge of the market to create and use to respond to changes in technology and marketing. Furthermore, Fang and Zou (2009) suggest that the marketing capabilities have an impact to the creation of business value.

Thus, this study extends the prior research of dynamic marketing capability comprising three dimensions, which are marketing sensing capability, marketing learning capability, marketing targeting and positioning. Linking these to dynamic marketing capability leads to marketing responsiveness, marketing excellence and marketing productivity, which ultimately will enhance marketing survival

FIGURE 1

A CONCEPTUAL MODEL OF THE RELATIONSHIPS



### Market sensing capability

Market sensing capability, it means the ability to learn the external environment on demand, customers, competitors, and the wide-lined environment changes and to use this knowledge effectively to guide the operation of the market (Day, 1994). So that the firm has the ability to use marketing sensing higher and can get the marketing excellence, marketing responsiveness, and marketing productivity are likely to influence firm to enhance their marketing survival. Therefore, the research relationship is hypothesize below.

**Hypothesis 1:** Market sensing capability has a positive influence on (a) marketing productivity, (b) marketing excellence, (c) marketing responsiveness, and (d) marketing survival.

### Marketing learning capability

Market-learning capability refers to the ability to learn the market of the organization to the appropriate management structure and process facilities and promote learning (Zollo and Winter,

2002). Marketing learning's ability to learn of the market should perform the training; the company has been to strengthen the skills and experience (Baird and Griffin, 2006), and absorb the knowledge gained from a variety of resources the information to be used for the better (Knight and Liesch, 2002). Paiva (2010) pointed that the definition of marketing learning focused on learning and understand the needs of the company in the market to develop the skills of the personnel and strengthen the ability to accumulate knowledge marketing. Zott (2003) issued the study that recommended increasing the dynamic capabilities of the company by adding experience and knowledge of the company. Eisenhardt and Martin (2000) believe that learning can improve capabilities. In this study, marketing learning refers to the ability of the company to focus on learning about customers and competitors to improve and develop their capabilities to increase their ability to compete successfully and achieve superior firm marketing survival. Therefore, when the company informed about the appropriate management structures, practical learning and the process of the market can learn how to influence companies to increase marketing excellence. The response of the market and the market yields are likely to influence the companies to increase their market survival. Thus, the research relation is hypothesize as below:

**Hypothesis 2:** Market learning capability has a positive influence on (a) marketing productivity, (b) marketing excellence, (c) marketing responsiveness, and (d) marketing survival.

#### **Marketing targeting and positioning capability**

Target marketing and positioning is the ability of the company to look for opportunities, target, and then select the appropriate target market conforming to achieve the best results. The ability to define the target market and positioning, refers to the ability to identify the opportunity choice and target selection and proper marketing, when the company's resources and the ability to align for best results (Hooley et al., 2008). So that the ability to identify alternative opportunity and select appropriate market target, market capability is affected to firm to enhance their marketing excellence, marketing responsiveness and marketing productivity that are likely to influence firm to enhance their marketing survival. Therefore, hypothesis is propose as below:

**Hypothesis 3:** Market targeting and positioning capability have a positive influence on (a) marketing productivity, (b) marketing excellence, (c) marketing responsiveness, and (d) marketing survival.

## **2.2 Consequence of dynamic marketing capability**

### **2.2.1: Marketing Productivity**

Marketing productivity related the relationship between inputs and outputs (Mistereck et al., 1992), and analysis of the production process to evaluate the effectiveness of the production factors and the result is a link (Sink, 1985). Marketing productivity analysis of the market is inherently partial productivity measures. It depends on the part of the universe of enterprise information as possible, productivity and conversion process (Mistereck et al., 1992). Since input and output on the results of operations in the market, often in different units of measure (Selnes, 1992), marketing productivity and its analysis usually involves transforming input and output unit into some standard measurement unit (usually dollars) (e.g Bonoma and Clark). The measures recommended as an organizer of the market assessment, including the attempt to start execution and marketing specialists, and the level of investment-quality head count (employee and decisions), Effort and expense allocation (Bonoma and Clark, 1988). Most marketing productivity gains evaluate market sales (unit and value), market share and cash flow (Bonoma and Clerk, 1988). The firm with high marketing productivity likely influences marketing excellence, marketing responsiveness, and marketing survival. Therefore, the research relationships are hypothesize as show below.

**Hypothesis 4:** Marketing productivity has a positive influence on marketing excellence.

**Hypothesis 5:** Marketing productivity has a positive influence on marketing responsiveness.

**Hypothesis 6:** Marketing productivity has a positive influence on marketing survival.

### **2.2.2 Marketing Excellence**

Marketing excellence is define as a market success than competitor to attract competition advantage. Likewise, the company has been successful in marketing activities, effective in reducing the cost and quality of the products. This led to the company's results of operations for the market higher (Reimann et al., 2010). Similarly, Stuart-Kregor (2006) revealed the marketing excellence that is showing the driving force of the company to meet the market and the survival of the market.

Marketing excellence that defines the capabilities of the company, as well as the meaning of the above in understanding the market, choosing a strategy to deliver a valuable and worthwhile examines more than competitors (Jagersma, 2006). In addition, the excellence of marketing practices of marketing to create a marketing expert and business strategy to be successful (Kanchanda, Ussahawanitchakit and Jhundra-indra, 2012). Therefore, the research relationships are hypothesizing below:

**Hypothesis 7:** Marketing excellence has positive influence on marketing responsiveness.

**Hypothesis 8:** Marketing excellence has positive influence on marketing survival.

### 2.2.3 Marketing responsiveness

Marketing responsiveness: Holweg (2005) suggested that marketing responsiveness refers to the ability to respond purposefully and within a reasonable time to the needs of customers or changes in the market to bring about or maintain a competitive advantage. Marketing responsiveness, the perceived response marketing refers to the ability of the company to identify the needs of different customers (Kotler and Keller, 2007) and search for the customer's requirements and the need to meet the expectations of our customers efficiently and effectively (Jadesadalug and Ussahawanitchakit, 2009). In this study, the response of the marketing responsiveness is set to be the company's ability to meet customer needs and create a good relationship with the customer. In addition, the customer response is a good way of providing customers with value delivered immediately what they need. The researchers explained that the response is the willingness of employees to provide services and the consumer always comes first (Agarwal, Malhotra, and Bolton, 2010). In addition, the company's marketing response that will make the customer willing to be accepted in the product (Tsai, 2005). Therefore, the company has the ability to respond quickly to customer that demonstrates their companies are marketing expertise that will lead to excellent and powerful capabilities in the market (Charpavang and Ussahawanitchakit, 2010). Hence, marketing responsiveness is likely to influence firms to enhance marketing survival. Thus, hypothesis is shown below.

**Hypothesis 9:** Marketing responsiveness has positive influence on marketing survival.

### 2.2.4 Marketing survival

As such, the performance of the market is an important part of the company's success, including its ability to respond to market for our customers and adapt to environmental change (Gao, 2010; Arthurs and Busenitz, 2006). Likewise, Day and Wensley(1988); and Rust et al. (2004), recommended that the company's reputation is based on the development of new products to increase customer value, maintain, and motivate existing customers and attract new customers, productivity and customer satisfaction. The survival of the business because of the financial development is that the company will benefit from the allocation of a budget as well as the development of the market (Tsoukas, 2011). Therefore, the company will survive an attempt to adjust the marketing strategy, consistent with the uncertainty through integration of environmental marketing and innovation for better operation efficiency (Ushijima, 2005). Therefore, the company can achieve a sustainable competitive advantage in resources and capabilities, such as strategic planning and management skills (Barney, 1991; Conner and Prahalad, 1996). The effectiveness of strategic planning and management skills that can be seen from the performance of the market. Also, Barczak et al., 2008, determine the effectiveness of marketing is that a new product based on expectations about the sale. Market share over profit and competitors to meet customer satisfaction of the company to determine the effectiveness of marketing is that a new product based on expectations about the sale. Market share over profits and competitors are in order to satisfy the maximum satisfaction of the customers of the company.

Therefore, this study determined the survival of the market as a product and marketing programs that meet the expectations of customers regarding sales, market share, more than its rival in profitability and the company's response, which will result in satisfied customers. This is despite an uncertain environment. However, through the integration of marketing and innovation, improve operating efficiency (Ushijima, 2005).

## 2.3 Antecedence of dynamic marketing capability

### 2.3.1 Marketing vision



A vision refers to texts that reflect the values of the Organization should be accepted together (Shamir, House, and Arthur, 1993). In addition, Bennis and Nanus (1985) offered to define more practice about the vision that is a projection of a product, service, and enterprise business leader need to achieve. It is a concept in the literature and leadership that are critical to the manager's job to make valuable decisions challenged by unpredictable changes (Berson and Avolio, 2004; Posavac, Kardes, and Brakus, 2010). Based on the view point of market driven responsive company and action within a frame and the limits of existing market structure and style. The operation of the company was determined. By the environment, such as changes in customer needs, the competitive and innovative technology. The majority of automotive parts in Thailand created a product by a purchase order from the manufacturer of the assembly manufacturer.

Therefore, the vision for this study refers to the market the ability of companies to analyze customer needs and market demand in the future, and the current time, which often contain the changes. In addition, the company will need to enhance planning for effective responses to these (Chailom and Ussahawanitchakit, 2008). Despite the focus in the literature on the nature of that vision effectively has no empirical research that involves the ability to dynamic market. Therefore, the research relationships are hypothesizing as shown below.

**Hypothesis 10:** Marketing vision will positively relate to (a) market sensing capability, (b) market learning capability, and (c) market targeting and positioning capability.

### 2.3.2 Marketing Readiness

Marketing is the activity, set of institutions, and the process for creating, communicating, delivering, and exchanging valuable service to clients, customers, partners and the society "MA (Approved July 2013). Readiness means a state of being ready and able to deal with what might or will happen. So that marketing readiness means ready and able to management process through which goods and service move from concept to customer. So that marketing readiness means the being ready set of institutions, process for creating, communication, delivery, and exchange offering that have value for customer. According to the dynamic marketing capability; thus, hypothesis is poste as below:

**Hypothesis 11** Marketing readiness will positively relate to (a) market sensing capability, (b) market learning capability, and (c) market targeting and positioning capability.

### 2.4 Moderating effect of innovative climate

Innovation climate is the level of support and promotion in the organization, the employee uses initiative, and explores new ways (Evall, Arvonen and Wladenstrom Lindblad, 1984). According to Sarros, Cooper and Santora (2008) organizational climate may be the expression of a fundamental cultural practice that occurs in response to commitments in the environment both inside and outside the organization. The viewpoint confirms the climate for innovative approach as a valid accompaniment to study of organization culture (Ostroff, Kinicki, & Tamkins, 2003). Therefore, innovative climate affects to firm high ability dynamic marketing capability. Thus, hypothesis relationship shows the relation as below:

**Hypothesis 12:** Innovative climate will positively moderate the relationship between marketing vision and (a) market sensing capability, (b) market learning capability, and (c) market targeting and positioning capability.

**Hypothesis 14:** Innovative climate will positively moderate the relationship between marketing readiness and (a) market sensing capability, (b) market learning capability, and (c) market targeting and positioning capability.

## 3. Research Methods

### 3.1 Sample selection and data collection procedure

The automotive parts business in Thailand as a country the population of this research. The data are drawn from a database of contacts in Thailand Automotive Parts Manufacturers Association. The business has chosen as the population because it is highly competitive and often introduces innovative new products to meet market demand. A mail survey procedure via the questionnaire was used for data collection. Marketing manager or marketing director is set as the key respondents. A follow-up web survey of non-response was conducted after three weeks. Five

respondents were interested in participating in this study. The received questionnaires were 155, but five of them were not completed. Thus, 150 firms were use for data analysis.

### 3.2 Variable and measurement

These researches use the questionnaire as an instrument for collecting the data. In the model, each construct includes multiple-item scale. Each of these variable is measured by a five-point Likert scale (strongly disagree) to 5 (strongly agree).

#### Dependent Variable

*Marketing survival* in the market means that products and marketing programs that meet customer expectations related to sales, market share than competitor of the company and the company to meet customer satisfaction. This variable, measured by five items, is developed as a new scale from the related literature and its definition.

#### Independent Variables

*Dynamic Marketing Capability* is the main dynamic the variables used to measure from related literature and definition. It consists of three dimensions. Firstly, *market-sensing capability* refers to the capability to learn the external environment with respect to demand, customer, competitors and wider macro-environmental change and to use this knowledge appropriately to guide its actions. Five items are used to identify capability market sensing. Secondly, *market-learning capability* refers to the ability of the organization to implement the appropriate management practice, structure and procedures that facilitate and encourage learning. Four items are used to measure this variable. Thirdly, *market-targeting and positioning capability* refers to ability to identify alternative opportunities and then select appropriate market targets, when the firm's resources and capabilities are aligned for the best effect. Four items are used to measure this variable.

#### Mediating Variables

*Marketing Productivity*: Productivity concerns the relationship between inputs and outputs so that productivity analyses assess the efficiency of the transformation process by which inputs and outputs are linked. It consists four items to measure this variable.

*Marketing Excellence* means being able to access the company's effort to better understand the market, choosing a strategy to deliver a valuable and worthwhile to examine more than competitors do. Four items are used to measure this variable.

*Marketing Responsiveness* refers to the ability to respond purposefully and within a reasonable time to the needs of customers or changes in the market to bring about or maintain a competitive advantage. It consists four items to measure this variable.

#### Moderating Variable

*Innovative Climate* as a degree of support and encourage on organization provides it employee to take initiative and explore innovative approach. It consists four items to measure this variable.

#### Antecedent Variables

*Marketing vision* refers to a firm's ability to analyze customer needs and market demands, both in the future and current time, which always change. Further, the firm must enhance planning to effective respond to these. It consists four items to measure this variable.

*Marketing Readiness* means ready and able to management process through which goods and service move from concept to customer. Four items are used to measure this variable.

#### Control Variables

*Firm age* is refers to the number of years since the company has been in operation and is measured by the number of years the company has operated in the auto parts business (Kotabe, Jiang, and Murray, 2011).

*Firm capital* refers to a firm's wealth, especially a large amount of money used for producing more wealth or for starting a new business (Ussahawanitchakit, 2005). It is measured by the amount of money, which a firm uses to invest for authorized capital.

*Firm sized* is measured by number of employees in the firm in currently registered full time.

### 3.4 Reliability and Validity

Factor analysis was firstly utilized 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 is

conduct separately for each set of the items representing a particular scale due to limited observations. With respect to the confirmatory factor analysis, it 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 reliability, Cronbach alpha coefficients are greater than 0.70 (Nunnally and Bernstein, 1994). The scales of all measures appear to produce internally consistent results; 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 for multiple-item scales used in this study.

Table 1

Items	Factor Loadings	Cronbach Alpha
Market Sensing Capability (MSC)	.693-.813	.831
Market Learning Capability (MLC)	.825-.873	.869
Market Targeting and Positioning Capability(MTC)	.684-.847	.775
Marketing Productivity (MAP)	.802-.869	.852
Marketing Excellence (MAE)	.689-.884	.821
Marketing Responsiveness (MAR)	.713-.889	.814
Marketing Survival (MAS)	.767-.914	.885
Marketing Vision (MAV)	.776-.906	.887
Marketing Readiness (MRE)	.822-.902	.892
Innovative Climate (INC)	.875-.932	.923

### 3.5 Statistical Techniques

The ordinary least squares (OLS) regression analysis is used to test and examine all hypotheses following the conceptual model. Thus, the aforementioned variables play significant roles in explaining the research relationships. Because all 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). In the interest of understanding the relationships in this study, the research model of these relationships are depicted as follows.

$$\text{Equation 1: } MAE = \beta_01 + \beta_1MSC + \beta_2MLC + \beta_3MTC + \beta_4FC + \beta_5FS + \beta_6FA + \epsilon_1$$

$$\text{Equation 2: } MAP = \beta_02 + \beta_7MSC + \beta_8MLC + \beta_9MTC + \beta_{10}FC + \beta_{11}FS + \beta_{12}FA + \epsilon_2$$

$$\text{Equation 3: } MAR = \beta_03 + \beta_{13}MSC + \beta_{14}MLC + \beta_{15}MTC + \beta_{16}FC + \beta_{17}FS + \beta_{18}FA + \epsilon_3$$

$$\text{Equation 4: } MAS = \beta_04 + \beta_{19}MSC + \beta_{20}MLC + \beta_{21}MTC + \beta_{22}FC + \beta_{23}FS + \beta_{24}FA + \epsilon_4$$

$$\text{Equation 5: } MAE = \beta_05 + \beta_{25}MAP + \beta_{26}FC + \beta_{27}FS + \beta_{28}FA + \epsilon_5$$

$$\text{Equation 6: } MAR = \beta_06 + \beta_{29}MAE + \beta_{30}MAP + \beta_{31}FC + \beta_{32}FS + \beta_{33}FA + \epsilon_6$$

$$\text{Equation 7: } MAS = \beta_07 + \beta_{34}MAP + \beta_{35}MAE + \beta_{36}MAR + \beta_{37}FC + \beta_{38}FS + \beta_{39}FA + \epsilon_7$$

$$\text{Equation 8: } MSC = \beta_08 + \beta_{40}MAV + \beta_{41}MRE + \beta_{42}FC + \beta_{43}FS + \beta_{44}FA + \epsilon_8$$

$$\text{Equation 9: } MSC = \beta_09 + \beta_{45}MAV + \beta_{46}MRE + \beta_{47}INC + \beta_{48}(MAV*INC) + \beta_{49}(MRE*INC) + \beta_{50}FC + \beta_{51}FS + \beta_{52}FA + \epsilon_9$$

$$\text{Equation 10: } MLC = \beta_10 + \beta_{53}MAV + \beta_{54}MRE + \beta_{55}FC + \beta_{56}FS + \beta_{57}FA + \epsilon_{10}$$

$$\text{Equation 11: } MLC = \beta_11 + \beta_{58}MAV + \beta_{59}MRE + \beta_{60}INC + \beta_{61}(MAV*INC) + \beta_{62}(MRE*INC) + \beta_{63}FC + \beta_{64}FS + \beta_{65}FA + \epsilon_{11}$$

$$\text{Equation 12: } MTC = \beta_12 + \beta_{66}MAV + \beta_{67}MRE + \beta_{68}FC + \beta_{69}FS + \beta_{70}FA + \epsilon_{12}$$

$$\text{Equation 13: } MTC = \beta_13 + \beta_{71}MAV + \beta_{72}MRE + \beta_{73}INC + \beta_{74}(MAV*INC) + \beta_{75}(MRE*INC) + \beta_{76}FC + \beta_{77}FS + \beta_{78}FA + \epsilon_{13}$$

## 4. Results and Discussion

The study aims to evaluate the effect dynamic marketing capability to marketing survival by using ordinary least squares (OLS) regression analysis. Descriptive statistics and a correlation matrix for all variables are presented in Table 2. The multicollinearity problem is tested by observing the

result of variance inflation factors (VIF's). From the test, it was found that VIF's were value from 1.02-5.06 which was not higher than 10 (Hair et al., 2006). It meant there was no multicollinearity problem. The result of OLS regression is presented in Table 3.

**TABLE 2**  
**DESCRIPTIVE STATISTICS AND CORRELATION MATRIX**

	MSC	MLC	MTC	MAP	MAE	MAR	MAS	MAV	MRE	INC	FA	FA	FS
<b>Mean</b>	4.0433	3.8933	4.1767	3.5717	3.7700	3.8733	3.5267	3.7067	3.6367	3.4517	.1800	.4733	.5133
<b>S.D</b>	.58915	.74204	.56576	.68929	.58970	.62037	.73691	.71287	.76280	.88741	.38547	.50096	.50150
<b>MSC</b>													
<b>MLC</b>	.808**												
<b>MTC</b>	.686**	.714**											
<b>MAP</b>	.603**	.605**	.544**										
<b>MAE</b>	.586**	.594**	.597**	.809**									
<b>MAR</b>	.463**	.486**	.557**	.604**	.791**								
<b>MAS</b>	.438**	.490**	.478**	.726**	.808**	.720**							
<b>MAV</b>	.581**	.704**	.515**	.632**	.651**	.572**	.671**						
<b>MRE</b>	.590**	.669**	.497**	.623**	.660**	.580**	.683**	.839**					
<b>INC</b>	.395**	.529**	.345**	.598**	.613**	.552**	.689**	.738**	.769**				
<b>FC</b>	.048	.050	.024	-.020	-.018	-.062	.021	-.009	-.001	-.008			
<b>FS</b>	.016	.047	.066	.105	-.015	-.053	.095	.024	.066	.082	.425**		
<b>FA</b>	-.136	-.113	-.086	-.039	-.068	-.062	-.093	-.009	-.053	-.030	.144	.335**	

\*\*p<0.05, \*\*\*p<0.01

The results in table 3 show that one dimension of dynamic marketing capability, market sensing capability focus have negative significant (b13= 0.072, p< 0.1) on marketing responsiveness and marketing survival (b19=0.044, p< 0.1), but has a positive effect on marketing excellence, and marketing productivity (b1 = 0.210, p < 0.1; b7= 0.292, p<0.01). **Thus, Hypotheses 1a and 1b are supported.** However, marketing responsiveness and marketing survival are not related to market sensing capability. **Thus, Hypotheses 1c and 1d are not supported.**

For Hypothesis 2, market learning capability has significant positive impact on marketing excellence, marketing productivity, and marketing survival (b2=0.211, p<0.1; b8=0.261, p<0.05; b20=0.270, p<0.05). **Thus, Hypotheses 2a, 2b and 2d are supported,** but it has no significant impact on marketing productivity. Therefore, **Hypothesis 2c not supported.**

Hypothesis 3 market targeting and positioning capability has positive significant impact on marketing excellence, marketing responsiveness, and marketing survival (b3 = 0.309, p < 0.01; b15= 0.415, p<0.01; b21=0.243, p<0.05), but it has not significant impact on marketing productivity. **Thus, Hypotheses 3a, 3c and 3d are supported, but hypothesis 3b not supported.**

Marketing productivity has significant positive impact on marketing excellence and marketing survival (b25 = 0.823, p < 0.01; b34= 0.198, p<0.05), but it has not significant impact on marketing responsiveness. **Thus, Hypothesis 4 and Hypothesis 6 are supported, but Hypothesis 5 is not supported.**

Marketing excellence has significant impact on marketing productivity and marketing survival (b26 = 0.871, p < 0.01; b30= 0.449, p<0.01). **Thus, Hypotheses 7 and 8 are supported.**

**TABLE 3**  
**RESULTS OF REGRESSION ANALYSIS**

Independent Variables	Dependent Variables
-----------------------	---------------------



	Model1	Model2	Model3	Model4	Model5	Model6	Model7
	MAE	MAP	MAR	MAS	MAE	MAR	MAS
F_MSC	0.210* (0.112)	0.292*** (0.112)	0.072 (0.120)	0.044 (0.125)			
F_MLC	0.211* (0.116)	0.261** (0.116)	0.142 (0.125)	0.270** (0.130)			
F_MTC	0.309*** (0.094)	0.154 (0.094)	0.415*** (0.101)	0.243** (0.105)			
MAP					0.823*** (0.048)	0.100 (0.088)	0.198** (0.080)
MAE						0.871*** (0.088)	0.449*** (0.103)
MAR							0.247*** (0.075)
Firm capital (FC)	- 0.080 (0.181)	-0.264 (0.181)	- 0.143 (0.195)	- 0.090 (0.203)	0.131 (0.138)	- 0.114 (0.146)	0.026 (0.132)
Firm size (FS)	-0.091 (0.147)	0.228 (0.147)	0.151 (0.158)	0.203 (0.165)	0.243** (0.112)	0.025 (0.120)	0.232** (0.108)
Firm age (FA)	0.061 (0.135)	0.040 (0.135)	0.065 (0.146)	- 0.129 (0.152)	-0.005 (0.102)	0.008 (0.107)	- 0.160 (0.097)
Adjust R <sup>2</sup>	0.408	0.407	0.311	0.252	0.658	0.619	0.690

\*p<0.1, \*\*p<0.05, \*\*\*p<0.01, a beta coefficients with standard errors in parenthesis.

Table 4 presents the results of the OLS regression analysis of the relationships between two antecedents and each dimension of dynamic marketing capability. Moreover, innovative climate are used to moderate these antecedents. The table also presents the results of testing the moderating effect of innovative climate among two antecedents, marketing vision, marketing readiness and dynamic marketing capability. The findings show that marketing vision positively relates to market sensing capability, market learning capability, and market targeting and positioning capability ( $b_{40}=0.305$ ,  $p<0.05$ ;  $b_{53}=0.500$ ,  $p<0.01$ ;  $b_{66}=0.349$ ,  $p<0.01$ ). **Thus, Hypotheses 10a, 10b, and 10c are supported.** In the marketing readiness antecedence of dynamic marketing capability positively impact on market sensing capability and market learning ( $b_{41}=0.328$ ,  $p<0.01$ ;  $b_{54}=0.242$ ,  $p<0.05$ ), but it has not significant impact on market targeting and positioning capability. **Therefore, Hypothesis 11a and 11b are supported but hypothesis 11c is not supported.**

Table 4 show the moderating effect of innovative climate. The result indicated that the moderating effect of innovative climate did not affect the relationship between marketing vision, marketing readiness and dynamic marketing capability. **Thus, Hypotheses 12a, 12b, 12c, 13a, 13b and 13c are not supported.** It is possible because the auto part do not use innovative climate to increase productivity because auto firm production is on customer order.

**TABLE 4**  
**RESULTS OF REGRESSION ANALYSIS**

Independent Variables	Dependent Variables					
	Model8	Model9	Model10	Model11	Model12	Model13
	MSC	MSC	MLC	MLC	MTC	MTC
MAV	0.305** (0.120)	0.387*** (0.128)	0.500*** (0.105)	0.541*** (0.115)	0.349*** (0.130)	0.431*** (0.140)
MRE	0.328*** (0.121)	0.466*** (0.134)	0.242** 0.106	0.284** (0.120)	0.195 (0.130)	0.306** (0.145)
INC		-0.263** (0.120)		0.092 (0.095)		- 0.202* (0.115)
MAV x INC		0.080 (0.119)		0.065 (0.107)		0.120 (0.130)
MRE x INC		- 0.022 (0.122)		-0.026 (0.109)		-0.012 (0.133)

Firm capital (FC)	0.179 (0.186)	0.180 (0.185)	0.148 (0.164)	0.143 (0.166)	0.026 (0.201)	0.025 (0.201)
Firm size (FS)	0.000 (0.152)	0.037 (0.151)	0.067 (0.133)	0.085 (0.135)	0.145 (0.164)	0.183 (0.164)
Firm age(FA)	-0.250* (0.139)	-0.256* (0.140)	-0.230 (0.122)	0.242* (0.126)	-0.195 (0.150)	-0.210 (0.153)
Adjust R <sup>2</sup>	0.370	0.390	0.515	0.510	0.265	0.280

\*p<0.1, \*\*p<0.05, \*\*\*p<0.01, a Beta coefficients with standard errors in parenthesis.

## 5. Contributions and Directions for Future Research

### 5.1 Theoretical Contribution

This study expands the understanding of dynamic marketing capability and the relationships between dynamic marketing capability and marketing survival through marketing responsiveness, marketing excellence, and marketing productivity. It expands existing knowledge and literature of marketing capability. In addition, this study conceptualizes new three dimensions of dynamic marketing capability, such as market sensing capability, market learning capability, and market targeting and positioning capability. These constructs are empirical investigated in this study.

### 5.2 Managerial Contribution

This study provides important implications regarding dynamic marketing capability in context of auto part firm in Thailand. It will support marketing managers or marketing directors to consider and apply leading to the market responsiveness, marketing excellence and marketing productivity to achieve the firm's performance and be careful to learning about business environment. The learning of business environment is very helpful to use firm for analyzed effect of environment, which can help the firm to create business plan and marketing plan efficiency.

## 6. Conclusion

This study suggests the relationships of dynamic capability on firm performance via marketing outcomes including marketing responsiveness, marketing excellence and marketing productivity. In addition, this study provides the three dimensions of dynamic marketing capability. In addition, moderator innovative climate does not have effect on the relationship between marketing vision, marketing readiness, and dynamic marketing capability. There are 900 auto parts in Thailand employed as the sample of the study. The data was analyzed by regression analysis. The results show that each dimensions of dynamic capability has an effect on consequence in different ways. Market sensing capability has positive influence on marketing excellence and marketing productivity. Market learning capability has positive influence on marketing excellence, marketing productivity, and marketing survival. Moreover, the antecedence marketing vision has effect on dynamic marketing capability. In addition, the moderating does not have effects on the relationships between marketing vision, marketing readiness, and dynamic marketing capability.

## 7. References

- Aulakh, Preet S., Masaaki Kotabe and HildyTeegen. 2000. Export Strategies and Performance of Firms from Emerging Economies: Evidence from Brazil, Chile, and Mexico. *Academy of Management Journal*, 43(3): 342-361.
- Baird, Lloyd and Griffin, Darrell. 2006. Adaptability and Responsiveness: The Case for Dynamic Learning. *Organizational Dynamics*. 35(4): 372-383.
- Bruni Daniele Severi and Verona Grianmario. 2009. Dynamic Marketing Capabilities in Science-based Firms: an Exploratory Investigation of the Pharmaceuticals Industry. *British Journal of Management*, 20:S101-S117.
- Celuch, Kevin G., Kasouf, Chickery J., and Peruvemba, Venkatakrishnan. 2002. The Effects of Perceived Market and Learning Orientation on Assessed Organizational Capabilities. *Industrial Marketing Management*. 31: 545-554.
- Charpavang, Cattaleeya, and Ussahawanitcahkit, Phapruek. 2010. Strategic Marketing Renewal, Marketing Outcomes, and Firm Performance: An Empirical Investigation of Electrical and Electronic Businesses in Thailand. *Journal of International Business and Economics*. 10: 1-23.

- Datta, D. K., Rajagopalan, N., & Rasheed, A. M. 1991. Diversification and performance: Critical review and future directions. *Journal of Management Studies*, 28(5);530–558.
- Day, G. S. (1994). The capabilities of market driven organisations. *Journal of Marketing*, 58:37–51.
- Dickson, Peter R. 1992. Toward a general theory of competitive rationality, *Journal of Marketing*. 56(1): 69-83.
- Eisenhardt, K. and Martin, J. 2000, "Dynamic capabilities: what are they?" *Strategic Management Journal*, 21(10-11): 1105-21.
- Fang, E.(Er) and Zuo, S. 2009. Antecedents and Consequences of Marketing Dynamic Capabilities in International Joint Ventures. *Journal of International Business Studies*, 40: 742-761.
- Griffith, David A., Yalcinkaya, Goksel, and Calantone, Roger J. 2010. Do Marketing Capabilities Consistently Mediate Effect of Firm Intangible Capital on Performance Across Institutional Environments?. *Journal of World Business*. 45: 217-227.
- Gurau, Calin. 2009. Marketing Flexibility in the Context of the Service-Dominant Logic. *The Marketing Review*. 9(3): 185-197
- Hitt, Michael A., Keats, Barbara W., and DeMarie, Samuel M. 1998. Navigating in the New Competitive Landscape: Building Strategic Flexibility and Competitive Advantage in the 21st Century. *Academy of Management Executive*. 12(4): 22-42.
- Jadesadalug, Viroj and Ussahawanitchakit, Phapruke. 2009. Building Innovative Creation Efficiency of Furniture Business in Thailand: And Empirical Research of its Antecedents and Consequences. *International Journal of Strategic Management*, 7(3): 36-58.
- Jaana Junell, and Pirjo Stahle. 2011. Measuring organizational renewal capability: case training service business Competitiveness Review. *An International Business Journal* 21(3):247-268.
- Kotler, Philip. From sales obsession to marketing effectiveness, *Harvard Business Review*. 55: 67-75.
- Knight, G. A., and Liesch, P. W. 2002. Information internalization in internationalizing the firm. *Journal of Business Research*. 51(12): 1-15
- Levine, R.A., (1981) "The management of change", *Viewpoint*, Vol 11 No.4, pp. 29-31.
- Li, Yuan, Su, Zhongfeng, and Liu, Yi. 2010. Can Strategic Flexibility Help Firms Profit From Product Innovation?. *Technovation*. 30; 300-309.
- Luo, Y. 2000. Dynamic capabilities in international expansion, *Journal of World Business*. 35(4): 355-378.
- Narsimhan, O., Rajiv, S., & Dutta, S. 2006. Absorptive capacity in high-technology markets: The competitive advantage of the haves. *Marketing Science*, 25(5); 510–524.
- Navarro, Antonio, Losada, Fernando, Ruzo, Emilio, and Diez, Jose A. 2010. Implications of Perceived Competitive Advantage, Adaptation of Marketing Tactics and Export Commitment on Export Performance. *Journal of World Business*. 45: 49-58.
- Neter, John, William Wasserman and Michael H. Kutner. 1985. *Applied Linear Statistical Models: Regression, Analysis of Variance, and Experimental Designs*, 2nd Edition. Homewood: Richard D. Irwin, Inc.
- Nunnally, Jum C. and Bernstein, Ira H. 1994. *Psychometric Theory*. New York, NY: McGraw-Hill.
- Paiva, Ely L. 2010. Manufacturing and Marketing Integration from a Cumulative Capabilities Perspective. *Int. J. Product Economics*. 126: 379-386.
- Po'yyho'nen, A. 2004. Modelling and Measuring Organizational Renewal Capability. Lappeenranta, *Acta Universitatis Lappeenrantaensis, Digipaino*. 200.
- Prithwiraj Nath, Subramanian Nachiappan, Ramakrishnan Ramanathan. 2010. The impact of marketing capability, operations capability and diversification strategy on performance: A resource-based view. *Industrial Marketing Management* .39;317-329.
- Prieto, Isabel M. and Revilla, Elena. 2006. Learning Capability and Business Performance: A NonFinancial and Financial Assessment., *The Learning Organization*, 13(2): 166-185.

- Sanchez, Ron. 1997. Preparing for an Uncertain Future: Managing Organizations for Strategic Flexibility. *International Studies of Management & Organization*. 27(2); 71-94.
- Stahle, P. and Gro nroos, M. 1999, Knowledge Management – Tietopaja aomayrityksen Kilpailutekija na , WSOY, Porvoo. Sta hle, P., Po yho nen, A. and Kyla heiko, K. (2003), "Towards operationalization of dynamic capabilities", in Hosni, Y. (Ed.), *Internet Economy: Opportunities and Challenges for Developed and Developing Regions of the World*, Elsevier, Amsterdam.
- Song, M., Benedetto, A. D., & Nason, R. W. 2007. Capabilities and financial performance: The moderating effect of strategic type. *Journal of the Academy of Marketing Science*, 35,18–34.
- Song, M., Droge, C., Hanvanich, S., & Calantone, R. 2005. Marketing and technology resource complementarity: An analysis of their interaction effect in two environmental contexts. *Strategic Management Journal*, 26(3); 259–276.
- Song, X. Michael, Neeley, Sabrina M., and Zhao, Yuzhen. 1996. Managing R&D-Marketing Integration in the New Product Development Process. *Industrial Marketing Management*. 25: 545-553.
- Song, X. Michael, Neeley, Sabrina M., and Zhao, Yuzhen. 1996. Managing R&D-Marketing Integration in the New Product Development Process. *Industrial Marketing Management*. 25: 545-553.
- Slater, S.F. and Narver, J.C.1994. Does competitive environment moderate the market orientation-performance relationship?, *Journal of Marketing*.58: 46-55.
- Talke K. 2007. Corporate mindset of innovating firms: influences on new product performance. *Journal of engineering and technology management*.24: 76-91.
- Teece, David J., Gary Pisano, and Amy Shuen.1997.Dynamic Capabilities and Strategic Management. *Strategic Management Journal*. 18 (7); 509–535.
- Thipsri N. and Ussahawanitchakit P. 2009. An empirical assessment of NPD strategies of Thai electronics business: How do the strategies affect market outcome? *International Journal of Business Strategy* 9: 69-90
- Thongsodsang, Cheewan, and Ussahawanitchakit, Phapruke. 2011. Dynamic marketing capability, marketing outcomes and marketing growth: evidence from foods and beverages businesses in Thailand. *International Journal of Business Strategy*.11(2);49-66
- Visser, Penny S., Jon A. Krosnick, Jesse Marquette, and Michael Curtin. 1996. Mail Surveys for Election Forecasting? An Evaluation of the Colombia Dispatch Poll. *Public Opinion Quarterly* 60: 181–227.
- Vorhies, D. W., & Morgan, N. A. 2005.Benchmarking marketing capabilities for sustainable competitive advantage. *Journal of Marketing*, 69;80–94.
- Woodruff. Robert B. 1997. Customer Value: The Next Source for Competitive Advantage. *Journal Academic of Marketing Science*. 25(2): 139-153.
- Woodside, Arch G., Sullivan, Daniel P., and Trappey III, Randolph J. 1999. Assessing Relationships Among Strategic Types, Distinctive Marketing Competencies, and Organizational Performance. *Journal of Business Research*. 45:135-146.
- Zott, C. 2003.Dynamic capabilities and the emergence of interindustry differential firm performance: insights from a simulation study. *Strategic Management Journal*., 24(2):97- 125.