

Marketing Diversity Strategy and Marketing Performance: An Empirical Investigation of Hotel Businesses in Thailand

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Abstract

This research attempted to integrate the key components of marketing diversity strategy, namely, integrated marketing communication capability, multi-marketing channel orientation, targeted marketing campaign focus, customized marketing segmentation implementation, and various marketing programs' emphasis into a proposed model. The main purpose of this research was to determine the effect of five dimensions of the marketing diversity strategy on marketing performance. The results were derived from a survey of 161 four-five-star hotels in Thailand, from which the marketing directors and marketing managers were the key informants. The OLS regression analysis indicates three dimensions of marketing diversity strategy, which consist of integrated marketing communication capability, customized marketing segmentation implementation, and various marketing programs' emphasis having positive influence on marketing competitiveness. Furthermore, marketing competitiveness has a strong and positive influence on marketing performance. Finally, this research provides theoretical and managerial contributions of marketing diversity strategy to improve business practice guidelines of hotel businesses in Thailand, to expand on previous literature and the recommendations of further research direction.

Keywords: Marketing diversity strategy, marketing competitiveness, marketing performance

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Introduction

One of the most powerful tools used Environmental change provides simultaneously both business threats and opportunities, which require the firm re-configurations of their strategies to fit with the environment as market forces. On the other hand, the firm that foresees dynamic environmental changes that they will face will attempt to seek a proactive way in terms of diverse strategies to cope with these environmental changes. For example, the firms attempt to develop new products or improvements, expect changes and opportunities that occur in the environment, encourage changes in current tactics, and detect future market trends (Hughes and Morgan, 2007). One of the challenges for the firm undertaking organizational change is the effective integration of information and communication technology infrastructure (Sabri and Sabri-Matanagh, 2012) in order to create new business practices. Consequently, the firm provides different business strategies that require distinct configuration of organizational practice to accomplish optimal performance (Slater and Olsen, 2000). Derived from the resource-based view (RBV) of the firm, which has been discussed for the long term with regards to the firm's possession of resources, included overall

firm tangible and intangible assets (Barney, 1991). The resources of the firm are comprised of two components of resource and capability that are the source of competitive advantage (Eisenhardt and Martin, 2000). The marketing diversity strategy is a key marketing capability. Therefore, the resource-based view is employed in this research in order to explain the relationship between marketing diversity strategy and marketing performance.

As previous literature, marketing diversity strategy literature is rarely conceptualization, while there was found some literature related to this issue. Thus, this research implies that diversity in marketing practice is marketing diversity strategy. In this research, marketing diversity strategy is defined as the ability of the firm to adopt and create a new marketing practice to satisfy targeted market needs by providing various marketing programs in terms of customized marketing through marketing communication and deliver value in multi-marketing channels (Torres and Murray, 2000; 2001; Murray, O'Driscoll, and Torres, 2002; Mandala and Schwadron, 2015). Murray, O'Driscoll, and Torres (2002) highlight the issue of diversity in marketing practice in competitive space and time, while diversity in competitive space refers to

the firm in a competitive market employing various marketing practices to lead to higher performance. Diversity overtime refers to the firm adopting new marketing or adjusting the new mixes of marketing practices as the firm co-evolves with the environment (Torres and Murray, 2000; 2001). Therefore, the firm might employ this marketing diversity strategy to attain marketing competitiveness and optimal marketing performance. This research has synthesized previous literature which has integrated and comprehended the marketing diversity strategy. Therefore, it provides marketing diversity strategy and its five dimensions, namely: 1) integrated marketing communication capability, 2) multi-marketing channel orientation, 3) targeted marketing campaign focus, 4) customized marketing segmentation implementation, and 5) various marketing program emphasis.

The hotel business is one aspect of the tourism industry which brings an enormous amount of national income into the country. To become a success in the hotel business, executives must know well the products of this service and also know well all products of the company to cope with continuous changes (Chow et al., 2006). This requires the marketing executives to use their marketing knowledge, skills, abilities, and

experience to administer the hotel business to attain advantages and to create new marketing practices to satisfy customer needs (Cardy and Selvarajan, 2006; Tang and Tang, 2012). However, most of the literature of marketing diversity strategy found in the context of the service industry satisfies customer needs as customized marketing. Therefore, in this study, the focus is on the hotel business in a specific service industry. Consequently, this created the research gap on marketing diversity strategy in the service sector of four-five-star hotel businesses in Thailand. As mentioned before, thus the key research question is, “how does marketing diversity strategy have influence on marketing performance?” Therefore, the main research purpose is to investigate the effects of marketing diversity strategy on marketing performance. Finally, this research contributes to hotel businesses on how to apply research recommendations of managerial contributions as guidelines to improve hotel business operations and marketing strategy, and provide theoretical contributions.

This research is organized as follows. First, we illustrate the hypothesized relationship by conceptual framework and present the research hypotheses. Next, we delineate the

research methodology and data analyses, followed by the presentation and discussion of our findings. Then, we highlight the conclusion and discussion of the managerial implications as well as concerning the research's limitations. Finally, we provide some recommendations for future research.

2. Literature Review and Hypotheses Development

The marketing diversity strategy is a crucial determinant of successful firm performance. Figure 1 shows the relationships between the marketing diversity strategy and marketing performance.

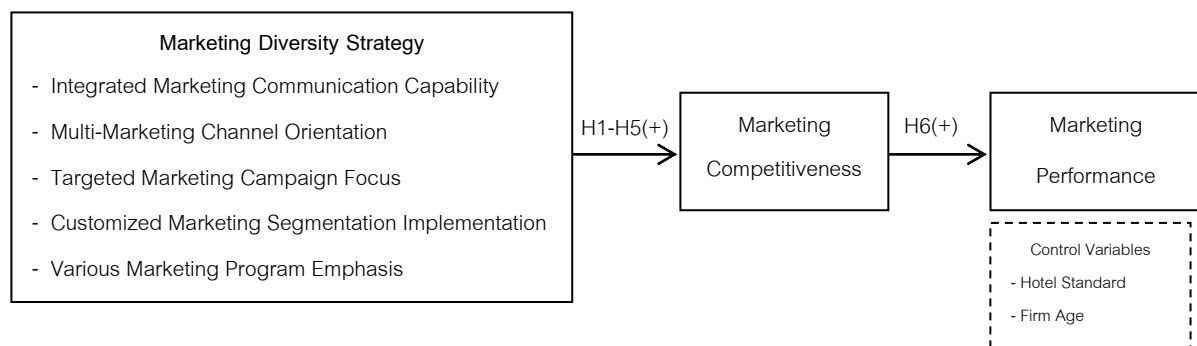


Figure 1. Conceptual Model of Marketing Diversity Strategy and Marketing Performance

Marketing Diversity Strategy (MDS)

The readiness of the firm's resources, skills, capability, and experience will enhance the firm's operations and ability to adapt appropriately with environmental change. Consequently, marketing diversity strategy implementation success will lead to marketing competitiveness and marketing performance (Duncan and Mulhern, 2004; Eisenhardt and Martin, 2000; Luxton, 2002). Based on previous literature, it indicates that the firm needs

diversity in marketing practice as a basis of marketing diversity strategy in this research and the definition related to diversity marketing is transformed into the marketing diversity strategy and its dimension (Torres and Murray, 2000; 2001; Mandara and Schwadron, 2015; Murray, O'Driscoll, and Torres, 2002). Thus, marketing diversity strategy should emphasize its dimensions, namely, integrated marketing communication capability, multi-marketing channel orientation, targeted marketing campaign focus, customized marketing segmentation implementation, and

various marketing program emphasis. As mentioned before, there is a clear definition of marketing diversity strategy and its dimensions based on literature reviews. Therefore, marketing diversity strategy (MDS) refers to the ability of the firm to adopt and create a new marketing practice to satisfy targeted market needs, to provide various marketing program in terms of customized marketing through marketing communication, and to deliver value in multi-marketing channels. Consequently, the marketing diversity strategy needs to provide theoretical extensions. More details of its dimensions are defined as follows:

1 Integrated Marketing Communication Capability (IMC)

1.1 The challenges firms faced in marketing environment were firm creditability via brand value, consumer attention related to the message which the firm provides, and the motivation for consumer purchase behavior through firm offers. One critical view of the effectiveness and efficiency of marketing communication is the firm's ability to bring together all marketing communication tools and tactics that ensure a credible, persuasive, meaningful, and measurable process (Luxton, Reid, and Mavondo, 2015). There are many previous studies about

IMC definitions. However, integrated marketing communication capability is rarely definite. Thus, in this research, integrated marketing communication capability refers to the firm's ability to coordinate multiple communication methods/tools to deliver customer value with clear and consistent marketing, offering a message to prospective audiences. Duncan and Mulhern (2004) stated that IMC is valuable as it confers many benefits in communication in terms of overall effectiveness, lower costs, and more targeting of stakeholder groups. In addition, Keller (2016) indicates that taking advantage of the unique strengths of different communication options and combining and sequencing strategically are the firm's opportunity to drive sales and build brands. Based on the literature, the firm that focuses on marketing diversity strategy in terms of integrated marketing communication (IMC) capability has the potential to affect marketing diversity strategy outcomes. Thus, implies that integrated marketing communication (IMC) capability is likely to positively affect marketing competitiveness. Therefore, the hypotheses are proposed as follows:

Hypothesis1: Integrated marketing communication capability has a positive influence on marketing competitiveness

1.2 Multi-Marketing Channel Orientation (MMC)

In the digital economy, traditional channels are sometimes in relative decline while new channels expand (Easingwood and Storey, 1996). Consequently, multi-channel marketing is increasingly important (Webb and Lambe, 2007) in order to deliver customer value through one or more channels. Similar to previous literature, Duffy (2004) indicates that a multi-marketing channel involves the integration of traditional marketing efforts with effective online marketing. In addition, multi-channel marketing complexity is the consumers' movement among online and offline channels for different products or for different purchasing processes (Van Dijk, Minocha, and Laing, 2007). In this research, multi-marketing channel orientation refers to the firm's ability to develop distinctive and modern product/service distribution based on new technology employment in order to deliver customer value through marketing, offering in different and extensive ways in order to reach new marketing opportunities, and to meet customer needs. Based on the literature, the firm that focuses on marketing diversity strategy in terms of multi-marketing channel orientation has the potential to affect marketing

diversity strategy outcomes. Thus, multi-marketing channel orientation is likely to influence marketing competitiveness. Therefore, the hypotheses are proposed as follows:

Hypothesis 2: Multi-marketing channel orientation has a positive influence on marketing competitiveness

1.3 Targeted Marketing Campaign Focus (TMC)

The difficult struggle to gain customer loyalty and a competitive advantage is increasing in the competitive market for businesses today, being less aware of the importance of customer information analysis in order to create effective marketing campaigns. As in previous literature, targeted marketing is an effective strategy which focuses on identifying specific groups of products with respect to certain customers or specific groups of customers with respect to certain products as well as developing appropriate solutions for those targeted-groups (Huang, Zhong, and Yao, 2014). Meanwhile, a marketing campaign is defined as promotional communications that are intended to communicate effectively and gain the approval of the targeted audience. Therefore, this research defined targeted marketing campaign focus as the firm's ability to identify and responded to specific groups of customers, creating a new set of

distinctive ideas/methods of promotional activity plans appealing to specialized potential customers directly and continuously. As in prior studies, a marketing campaign can help firms develop, maintain, and enhance customer relationships and ensure customer loyalty by understanding customers and the prospects of the firm, then taking action which is both relevant and cost effective, resulting in profit. Moreover, a marketing campaign can help the firm ensure that the firm is proactive with new product sale opportunities and targeted marketing and exceed customer satisfaction (Luxton, 2002). Based on the literature, the firm that focuses on marketing diversity strategy in terms of targeted marketing campaign focus has the potential to affect marketing diversity strategy outcomes. Thus, targeted marketing campaign focus is likely to have a positive influence on marketing competitiveness. Therefore, the hypotheses are proposed as follows:

Hypothesis 3: Targeted marketing campaign focus has a positive influence on marketing competitiveness

1.4 Customized Marketing Segmentation Implementation (CMS)

Firms are faced with heterogeneous markets; therefore, firms follow a market segmentation strategy

usually leading to gain more profitability (Frank, Massey, and Wind, 1972). Market segmentation has been accepted as a strategic marketing tool to define markets and thereby allocate resources (Asseal and Roscoe, 1976). The two most important ideas of market segmentation are; market segmentation is management strategy, and market segmentation strategy implementation involves postulates about the characteristics and behavior of customer group, not individual persons (Bass, Tigert, and Lonsdale, 1968). In this research, customized marketing segmentation implementation refers to the firm's ability to develop and execute a personalized marketing offering which is placed as appealing to specify homogenous groups of customers or individuals. The firms should identify valuable customers instead of serving all customers equally in order to maximize profit and minimize their investment in valueless customers (Verhoef and Donker, 2001). In addition, segmentation benefits include allowing greater responsiveness in terms of marketing offerings and enhancing competitive advantage (Albert, 2003; Freytag and Clarke, 2001). Based on the literature, the firm that focuses on marketing diversity strategy in term of customized marketing segmentation implementation

has the potential to positively affect marketing diversity strategy outcomes. Thus, customized marketing segmentation implementation is likely to have a positive influence on marketing competitiveness. Therefore, the hypotheses are proposed as follows:

Hypothesis 4: Customized marketing segmentation implementation has a positive influence on marketing competitiveness

1.5 Various Marketing Program Emphasis (VMP)

In any situation, the device of a marketing program is a profitable pattern or formula of marketing operations from among the many procedures and policies relevant as a marketing mix. The logic is to proceed with a variety of marketing mixes that would comprehend this variety and market forces which cause firms to adjust their program as variety marketing which will give a successful business operation. In this research, various marketing program emphasis refers to the firm's ability to create and adopt new marketing practices in variety sets of the marketing mix as tools to determine the marketing operation to satisfy suitable diverse groups of prospective customers and consistent with market forces. A firm that can convert its customer knowledge into marketing program implementation is

likely to outperform its competitors (Noble and Mokwa, 1999). The empirical study indicated that the planning dimension of strategic clarity is significantly related to the process benefits of market knowledge and marketing program effectiveness related to financial performance (Conant and White, 1999). In addition, the adaptation process of a marketing program helps define competitive advantage (Albaum and Tse, 1999). Likewise, marketing programs are considered key for differentiation of established products in order to better meet customers' needs and market trends over time (Andrew and Smith, 1996; Slater, Hunt and Olson, 2010). Based on the literature, the firm that focuses on marketing diversity strategy in terms of various marketing program emphasis has the potential to positively affect marketing competitiveness. Therefore, the hypotheses are proposed as follows:

Hypothesis 5: Various marketing program emphasis has a positive influence on marketing competitiveness

2. Marketing Diversity Strategy, Its Consequences, and Marketing Performance

2.1 Marketing Competitiveness (MKC)

With the rapidly changing market environment, it is essential to

develop the firm's ability in adapting to cope with environment changes. The changes of the external environment, changes in market competition, and the increase of more intelligent customers have all forced organizations to reconsider their competitive strategies (Moutinho and Phillips, 2002). The intention of firms to obtain a competitive advantage means the firm's ability to bring up and provide their innovations to a competitive market and could be achieving their aims (Rungtusanatham and Forza, 2005). In the study of Leisen and Vance (2001), in service context provides a useful construct of service quality on competitiveness, and evidence shows that service quality setting is a major factor towards service offering differentiation, thereby building up a competitive advantage (Christian, 2000). In this research, marketing competitiveness refers to the marketing operations to deliver superior customer value through marketing offering focused on the development of distinctive products and service quality than other competitors continuously. Therefore, the firms that have a distinctive resource, superior skills, and distinctive production and engineering, prompt to deliver superior value of product quality and to satisfy customer's needs, which allow firms to have marketing competitiveness

and lead to marketing performance. Based on the literature, the hotel businesses that focus on marketing competitiveness might possibly support firms to achieve marketing performance. Therefore, the hypothesis is provided as follows:

Hypothesis 6: Marketing competitiveness has a positive influence on marketing performance

2.2 Marketing Performance (MPF)

The assessment of performance is essential in all firms, especially in marketing. The results of the marketing operations reflect the marketing outcomes of marketing strategy in terms of marketing implementation through marketing activities. The measuring of marketing performance has a wider accepted capture on both financial and non-financial performance measure, which help marketers understand marketing status and marketing strategies that have been performed (Varadarajan and Jayachandran, 1999). Thus, the marketing performance measurement includes two terms of financial performance; e.g., measured by sales volume, sales growth, market share, ROA, ROI, profit margin, and profit growth (Hultman et al., 2011), and non-financial performance; e.g., measured by the level of satisfaction from marketing executives/managers.

Therefore, in this research, marketing performance refers to the firm's outcomes of marketing strategy with regard to financial and non-financial performance.

Research Methods

1 Sample Selection and Data Collection Procedure

The population of 874 hotels in Thailand rated at the 4-to-5 star level was retrieved from the website of the Tourism Authority of Thailand, Ministry of Tourism and Sports, Thailand. It was drawn in May 2016 from the website. A questionnaire was used for data collection by mailed survey to the particular key informants including the marketing executives/directors or the marketing managers of each hotel. Eighty-one surveys were undeliverable because some of these hotels had moved to unknown locations and some were no longer in business, and two incomplete surveys with missing data were then deleted. Thus, there were 161 surveys used for data analysis that was a 20.30% response rate. Furthermore, a 20% response rate for a mail survey, without an appropriate follow-up procedure, was considered sufficient (Aaker, Kumar, and Day, 2001).

Testing of non-response bias of all 161 received questionnaires was divided into two groups.

These results provided evidence that there were no statistically significant differences between the two groups at a 95% confidence level. Moreover, it can be surely mentioned that non-response bias is not a problem (Armstrong and Overton, 1977).

2 Variable Measurements

All constructs are developed for measuring the conceptual definitions that are drawn from the literature review. They were tested by multi-item scales. Meanwhile, the five-point Likert scale of variables measurement includes; the dependent variables, independent variables, and control variables which are described as follows.

2.1 Dependent Variables

Marketing performance is measured by marketing assessment of a firm's market share, sales growth, marketing reputation, customer trust/credibility, and customer and stakeholder acceptance. A five-item scale is adapted from Waranantakul et al., (2013).

2.2 Independent Variables

Total independent variables are developed as a new scale and are measured by five dimensions depending

on their definitions, which are explained as follows:

Integrated marketing communication capability (IMC) is measured by the level of marketing capacity of firms to combine and applies various marketing communication methods/tools which recognize clear and consistent content of a marketing offering message that will increase marketing effectiveness, to accomplish marketing goals and objectives, with a quick customer response and will lead to marketing success. This construct was developed as a new scale, including five items.

Multi-marketing channel orientation (MMCI) is assessed by the level of the firm's activities to develop new techniques, methods, and processes of creating new, distinctive, and modern distribution channels, contributing to the coverage of different customer demands. This construct was developed as a new scale, including five items.

Targeted marketing campaign focus (TMC) is evaluated by the degree of a firm's operations to identify market demands with proactive analysis by creating and using new, distinctive ideas/methods of promotional marketing activities, providing to the potential customer group of needs directly. This

construct was developed as a new scale, including four items.

Customized marketing segmentation implementation (CMS) is determined by the degree of the firm's activities to analyze, clustering of customer needs and design of new marketing techniques, and methods to respond to customer differences consistent with each market segment. This construct was developed as a new scale including five items.

Various marketing program emphasis (VMP) is measured by the degree of the firm's operation to develop, adapt, and execute the diverse forms of marketing methods in variety sets of the marketing mix to determine the marketing practices to meet customer needs, both in existing customers and prospects, especially distinctive and differently from competitors. This construct was developed as a new scale, including four items.

2.3 Mediating Variables

Marketing competitiveness (MKC) is evaluated by the customer's acceptance of products and service quality, and a variety of products and services to market distinctively by the development of new products and services continuously to respond to customer needs and expectations better

than competitors. This variable was measured by four items adapted from Oliver and Holzinger (2008); Phong-Inwong and Ussahawanitchakit (2010).

2.4 Control Variables

There are two control variables comprised of hotel's standard and firm's age. Hotel standard was represented by a dummy variable, including 0 (four-star hotels) and 1 (five-star hotels). Firm age is represented by a dummy variable 0 (less than or equal to 10 years) and 1 (more than 10 years).

Reliability and Validity

In this research, the pre-test used the first 30 returned questionnaires. The construct validity of this research shows the convergent validity. Table 1 illustrates that the factor loading is between 0.676 - 0.955. The values are greater than the cut-off score of 0.40, which indicates acceptable construct validity. The result of Cronbach alpha coefficients is between 0.831 - 0.926, which is more than the acceptable cut-off scores of 0.70 (Hair et al., 2010).

Table 1. Details of Validation of Each Dimension of Marketing Diversity Strategy, Marketing Competitiveness and Marketing Performance

| Variables | Factor Loadings | Cronbach's Alpha |
|--|-----------------|------------------|
| Integrated Marketing Communication Capability (IMC) | 0.676-0.886 | 0.831 |
| Multi-Marketing Channel Orientation (MMC) | 0.794-0.930 | 0.906 |
| Targeted Marketing Campaign Focus (TMC) | 0.771-0.877 | 0.875 |
| Customized Marketing Segmentation Implementation (CMS) | 0.831-0.904 | 0.905 |
| Various Marketing Program Emphasis (VMP) | 0.778-0.937 | 0.899 |
| Marketing Competitiveness (MKC) | 0.857-0.955 | 0.926 |
| Marketing Performance (MPF) | 0.788-0.917 | 0.913 |

The Ordinary Least Squares Regression Analysis

This ordinary least squares (OLS) regression analysis is used to investigate the hypothesized relationships among the marketing

diversity strategy, marketing competitiveness, and marketing performance. Moreover, the hypotheses testing is transformed in regression equations as presented in the following:

$$\text{Equation 1: MKC} = \alpha_1 + \beta_1 \text{IMC} + \beta_2 \text{MMC} + \beta_3 \text{TMC} + \beta_4 \text{CMS} + \beta_5 \text{VMP} + \beta_6 \text{FS} + \beta_7 \text{FA} + \epsilon_1$$

$$\text{Equation 2: MPF} = \alpha_2 + \beta_8 \text{MKC} + \beta_9 \text{FS} + \beta_{10} \text{FA} + \epsilon_2$$

Results and Discussion

Table 2 shows the results of the descriptive statistics and correlation matrix of all variables as displayed above. The correlation of all variables in these hypothesized relationships is between 0.538 to 0.779, $p < 0.01$. The VIFs maximum value is 4.230; the VIF value was lower than the cut-off 10 as

recommended from Hair et al. (2010). Accordingly, the results of correlation between the independent variables indicate that all correlation values do not exceed 0.8. Therefore, this can imply that there are not founded multicollinearity problems in this research.

Table 2. Descriptive Statistics and Correlation Matrix of Each Dimension of Marketing Diversity Strategy, Marketing Competitiveness, and Marketing Performance

| Variable | IMC | MMC | TMC | CMS | VMP | MKC | MPF |
|----------|---------|---------|---------|---------|---------|---------|------|
| Mean | 4.30 | 4.31 | 4.24 | 4.23 | 4.20 | 4.12 | 4.20 |
| S.D. | .55 | .57 | .55 | .58 | .59 | .65 | .65 |
| IMC | 1 | | | | | | |
| MMC | .712*** | 1 | | | | | |
| TMC | .748*** | .779*** | 1 | | | | |
| CMS | .682*** | .707*** | .777*** | 1 | | | |
| VMP | .652*** | .676*** | .766*** | .750*** | 1 | | |
| MKC | .601*** | .567*** | .627*** | .642*** | .607*** | 1 | |
| MPF | .538*** | .544*** | .622*** | .657*** | .542*** | .742*** | 1 |

** $p < 0.10$ *** $p < 0.05$, *** $p < 0.01$

In Table 3, hypotheses 1 to 6 demonstrate the effects of each dimension of marketing diversity strategy, marketing competitiveness, and marketing performance. The results of OLS regression analysis are as follows: the first dimension, integrated marketing communication capability of hypothesis 1 has significant impact on marketing competitiveness ($\beta_1 = 0.206$, $p < 0.05$). The result is consistent with Keller (2016) and indicates that taking advantage of the unique strengths of different communication options, combining and sequencing strategically, results in the firm's opportunities to drive sales and build brands. In addition, Eisenhardt and Martin (2000) state that integrated marketing communication (IMC) is likely to be responsible for temporary advantages as a result of the differentiation and uniqueness of marketing communication configurations and activities which make up each firm. **Therefore, Hypothesis 1 is supported.**

Secondly, the results indicate that multi-marketing channel orientation does not significantly impact marketing

competitiveness ($\beta_2 = 0.025$, $p > 0.10$). According to this result, the multi-channel might have a design problem when there are two distinct consumer segments namely, a price-sensitive segment and a service sensitive segment, in which the multi-channels are optimal when the values in both segments are similar. The argument of Geyskens et al. (2002) indicated that the powerful firms with a few direct channels achieve better financial performance than less powerful firms with broader direct market offerings. Many firms operate their own websites, but they do not deploy the opportunities offered by the Internet in order to have extensively interactive features or to support every phase of a transaction, instead, providing only very basic information (Steinfeld, 2004). Thus, the multi-channel firm might not achieve marketing competitiveness because they might not utilize the online channels to support the marketing transaction comprehensively, which enhances marketing competitiveness. **Thus, Hypothesis 2 is not supported.**

Table 3. Results of Regression Analysis for the Effects of Each Dimension of Marketing Diversity Strategy, Marketing Competitiveness, and Marketing Performance

| Independent Variables | | | | Dependent Variables | |
|--|----|--|--|--------------------------|--------------------------|
| | | | | MKC | MPF |
| | | | | Equation1 | Equation 2 |
| Integrated Marketing Communication Capability (IMC) | H1 | | | .206** (.094) | |
| Multi-Marketing Channel Orientation (MMC) | H2 | | | .025 (.100) | |
| Targeted Marketing Campaign Focus (TMC) | H3 | | | .123 (.119) | |
| Customized Marketing Segmentation Implementation (CMS) | H4 | | | .269*** (.103) | |
| Various Marketing Program Emphasis (VMP) | H5 | | | .166* (.103) | |
| Marketing Competitiveness (MKC) | H6 | | | | .794*** (.048) |
| Hotel Standard (FS) | | | | .122 (.122) | -.138 (.101) |
| Firm Age (FA) | | | | -.018 (.120) | .154 (.099) |
| Adjusted R² | | | | .464 | .627 |
| Maximum VIF | | | | 4.230 | 1.056 |

*p < 0.10, **p < 0.05, ***p < 0.01

Thirdly, the results show that targeted marketing campaign focus does not significantly impact marketing competitiveness ($\beta_3 = 0.123$, $p > 0.10$). This may be because nowadays the competitive marketplace is increasingly

making the struggle to gain a competitive advantage, and it is difficult to assure customer loyalty. Thus, the firm has to seek new and smarter ways to coordinate divergent customer information, ensure customer loyalty, and have a higher marketing campaign

success rate that gains a marketing competitive advantage. In other words, targeted marketing campaign success requires the firm with the right data, the right technology, and the right processes, which enhances their customers, personalizes marketing efforts, and leads to higher returns on marketing investment (Luxton, 2002). In brief, the firm without technology will not be able to deliver the personalized and targeted marketing strategies required to maximize the potential of their customers and might not attain marketing competitiveness. Particularly, the hotel business has complexity and is heterogeneous of customer needs in details of customer information, which is hard to create an effective marketing campaign to deliver value through a targeted marketing campaign in terms of a personalized marketing to gain marketing competitiveness. **Thus, Hypothesis 3 is not supported.**

In the fourth dimension, customized marketing segmentation implementation, the results indicate it that significantly impacts marketing competitiveness ($\beta_4 = 0.269$, $p < 0.01$). This is consistent with the previous literature. The benefits of market segmentation, including better understanding of customer needs and wants, give greater responsiveness in

respect of the product and service on offer (Haverila, 2013). Moreover, market segmentation enables the firm to utilize customer information to segment customers, then to determine the optimal allocation of marketing resources to potentially valuable segments to the firm and minimize their investment in valueless customers, which enhances the firm to target and serve profitable customers (Verhoef and Donker, 2001). Furthermore, the segmentation process allows the firm to better understand the appropriate segments to target, meanwhile, in order to seek a competitive advantage (Freytag and Clark, 2001). **Thus, Hypothesis 4 is strongly supported.**

Finally, in the fifth dimension of various marketing program emphasis, the results indicate that it significantly impacts marketing competitiveness ($\beta_5 = 0.166$, $p < 0.10$). Previous research states that the carrying out of the right mix of marketing programs requires the firm to have sufficient understanding of its existing and potential customers, which means to reach customer needs (Kotler, 1997). Likewise, the firm that can convert its customer knowledge into marketing program implementation is likely to outperform its competitors (Noble and Mokwa, 1999). Moreover, the adaptation process of a marketing

program helps define competitive advantage (Albaum and Tse, 2001). Conant and White (2000) mentioned that marketing program planning is the on-going managerial process of accessing internal marketing competencies and external environmental trends, segmenting the marketplace, and then formally configuring, efficiently implementing, and systematically evaluating marketing mix strategies with the goal of achieving organizational objectives. **Therefore, hypothesis 5 is supported.**

In the result of marketing competitiveness and marketing performance, the finding shows that marketing competitiveness significantly impact s marketing performance ($\beta_8 = 0.794$, $p < 0.01$). Consistent with Bharadwaj, Varadarajan, and Fahy (1993), it is indicated that the competitive advantage affects firm performance in terms of a firm with outstanding skills, distinctive resources, cost efficiency, customer satisfaction, and firm reputation. In the case of customer satisfaction, the firm can launch new products that satisfy customer needs continuously. Therefore, the firm allocates more resources in order to develop product quality better than competitors, which leads to marketing

performance. **Thus, Hypothesis 6 is strongly supported.**

Consequently, the marketing diversity strategy through integrated marketing communication capability, customized marketing segmentation implementation, and various marketing program emphasis in the context of hotel businesses in Thailand lead to accomplish marketing competitiveness and marketing performance.

Regarding the control variable results of hotel standard ($\beta_6 = 0.122$, $p > 0.10$), it does not significantly impact marketing competitiveness. Therefore, it implies that hotel standard does not have any influence on marketing competitiveness. Whereas, hotel standard ($\beta_9 = -0.138$, $p > 0.01$) does not significantly impact marketing performance. Therefore, it implies that hotel standard does not have any effect on marketing performance.

Moreover, the results indicate that firm age does not significantly impact marketing competitiveness ($\beta_7 = -0.018$, $p > 0.10$). It can be interpreted that the firm age has no effect on marketing competitiveness. Whereas, firm age ($\beta_{10} = 0.154$, $p > 0.01$) does not significantly impact marketing performance. Therefore, it can be interpreted that firm age does not have any effect on marketing performance.

Conclusion

The purpose of this research is to investigate the impact of marketing diversity strategy on marketing performance. The results of the OLS regression analysis show that the dimensions of marketing diversity strategy (MDS), namely, integrated marketing communication capability, customized marketing segmentation implementation, and various marketing program emphasis have positive impact on marketing competitiveness. Moreover, marketing competitiveness has strongly significant impact on marketing performance. This research provides the theoretical contribution in the expansion of previous literature in terms of marketing diversity strategy and its new five dimensions of marketing diversity strategy namely; integrated marketing communication capability, multi-marketing channel orientation, targeted marketing campaign focus, customized marketing segmentation implementation, and various marketing program emphasis. Besides, the findings suggested that marketing executives should emphasize the crucial, important dimensions of marketing diversity strategy including research.

integrated marketing communication capability, customized marketing segmentation implementation, and various marketing program emphasis which are utilized to improve marketing strategy implementation that leads to marketing competitiveness and marketing performance. In the context of hotel businesses in Thailand, marketing executives should also realize other marketing factors, such as marketing environment and marketing situations that affect marketing operations. Thereby, they should adjust their marketing operations to fit with rapid marketing environmental changes. Furthermore, further research might re-investigate the marketing diversity strategy in other industries by using a cross-sectional study to provide generalizability of research. In addition, further research might consider confirming the findings in terms of qualitative research with marketing practitioners' in-depth interview or focus groups. In addition, further research might apply a new scale of measurement to validate all variables in the proposed conceptual framework in this

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