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The excellence management in developing marketing mix strategies for entrepreneurial institutions

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Abstract

The aim of the research is to identify the relationship between the four marketing mix strategies of the leading companies in Jordan and their impact on their marketing performance via a descriptive research method. The study found that there is a significant relationship between the marketing strategies of the elements of the marketing mix in the leading Jordanian institutions and their marketing performance in its dimensions. In conclusion, there seems to be a difference in considering the relative importance of each element of the marketing mix of the managers of Jordanian institutions leading SMEs.

Keywords: Management, Marketing, Strategies, Performance, SMEs.

La gestión de excelencia en el desarrollo de estrategias de marketing mix para instituciones empresariales

Resumen

El objetivo de la investigación es identificar la relación entre las cuatro estrategias de marketing mix de las compañías líderes en Jordania y su impacto en su desempeño de marketing a través de un método de investigación descriptivo. El estudio encontró que existe una relación significativa entre las estrategias de marketing de los elementos de la mezcla de marketing en las principales instituciones jordanas y su desempeño de marketing en sus dimensiones. En conclusión, parece haber una diferencia al considerar la importancia relativa de cada elemento de la combinación de marketing de los gerentes de las principales instituciones jordanas.

Palabras clave: Gestión, Marketing, Estrategias, Desempeño, Pymes.

1. INTRODUCTION

Entrepreneurship institutions are of exceptional importance in the interests of countries that want to develop their economies, especially after the world's economies move to the free economy because of the ability of these institutions to influence the development of industrial and commercial sector revenues, increase their contribution to GDP, and support the sustainable development of the national economy. In a country such as Jordan, which has limited resources and seeks to develop the sectors of the national economy, including the industrial sector, the management of the industrial and commercial institutions in it has an increasing interest in accelerating

the development and production of its products and products; as these institutions have a share in Jordan's GDP of 17%.

The process of accelerating the development of the production and marketing of products for this type of enterprise requires knowledge of its management of how the development of strategies and programs can affect the elements of their marketing mix in product planning, pricing, distribution and promotion, in marketing its elements to contribute to the support of the national economy (AHMED, 2010).

The knowledge of the management of these institutions to how to build plans and programs for the elements of their marketing mix after knowledge of the impact and role, gives them the ability to solve many of the administrative and financial problems that suffer from, thus pushing it to develop its products, then excellence and competition, and to build a trust relationship with the public who find products with well-known brands, quality and prices acceptable in the local market. On the one hand, and on the other, can contribute to the success of the production and marketing processes of the national product, which is facing sharp competition.

This is why the topic of this research was chosen by the Association of Jordanian Pioneering Companies, which was founded in 2007 and which includes about 250 institutions. In support of the administrations of these institutions and their activities and the development of a number of recommendations to address some

weaknesses and influence positively to develop their marketing revenues to achieve their own objectives, and what can contribute to support production and the national economy (MALLA, 2014).

2. RESEARCH METHODOLOGY

The issue of building strategies and marketing programs for leading organizations is of increasing importance, especially in countries that seek development, such as Jordan, because of their role and impact in the performance of these organizations and thus in the development of the economies of their countries. The interest in building the strategies of the elements of the marketing mix in its four dimensions (4Ps) in the leading organizations in the form that will help them succeed, will have important results in the growth of market share and revenue and customer satisfaction (NOBLE ET AL., 2002):

The importance of research is shown by the great importance of the success of the leading institutions in supporting and developing the Jordanian economy through its marketing of a national product capable of satisfying the needs of local consumers and what can contribute to its exports and providing national income that supports national economic and social development (GBOLAGADEADEWALE & OYEWALE, 2013; MUSTAFA ET AL, 2019).

The research highlights the importance of building the basic strategies for the elements of the marketing mix that are the responsibility of the management of the leading institutions and the impact they can have on the overall performance of these institutions, and the achievement of revenue through the growth of sales and profits and build relationships with consumers and their satisfaction. The importance of research is highlighted through the application of statistical analysis methods to measure the impact of the strategies of the four elements of the marketing mix on each dimension of the marketing performance of these institutions so that the departments of these institutions cannot develop strategies and marketing programs so that they can achieve their objectives and achieve a competitive advantage that makes them able to survive, evolve, and grow (TALI, 2014).

After identifying the research problem, the basic research objectives can be defined as follows:

- Defining the strategies of the marketing mix elements and indicating their importance for the performance of the leading institutions in achieving their goals and achieving what distinguishes them.

- Measuring the impact of marketing mix elements on the marketing performance of these institutions in their dimensions (sales growth, profit growth, customer attraction, customer retention), and then find conclusions on the nature of this impact and then make some recommendations that can benefit the development of the work of the administrations of these institutions in this area (PHANDANOUVONG & NIMSAI, 2018).

There is no statistically significant effect at the level of ($\alpha = 0.05$) of the strategies of the elements of the marketing mix in their dimensions (product strategy, pricing strategy, distribution strategy, promotion strategy) combined on marketing performance in its dimensions (sales growth, profit growth, customer attraction, retention of customers) in leading Jordanian institutions.

HO1- There is no statistically significant effect at level ($\alpha = 0.05$) of the strategies of the elements of the marketing mix in their dimensions on the growth of sales.

HO2 - There is no statistically significant effect at level ($\alpha = 0.05$) of the strategies of the elements of the marketing mix in their dimensions on the growth of profits (Phittayaphinant & Nissapa, 2011).

HO3 - There is no statistically significant effect at level ($\alpha = 0.05$) of the strategies of the elements of the marketing mix in their dimensions to attract customers.

HO4 - There is no statistically significant effect at level ($\alpha = 0.05$) of the strategies of the elements of the marketing mix in their dimensions to retain customers.

This research is based on the following model, which shows the independent variable strategies and elements of marketing mix (product strategy, pricing strategy, distribution strategy, promotion strategy) and the variable of the marketing performance of leading enterprises and their dimensions (Sales growth, profit growth, customer attraction, retention of customers).

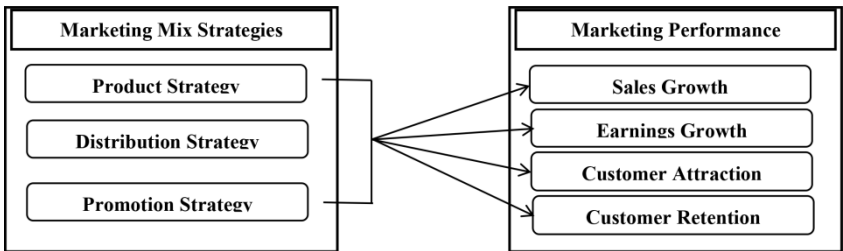


Figure 1: Research model

The research community is one of the 250 leading institutions of the SMEs Association in Jordan. The questionnaire was distributed to 250 managers (185), which were retrieved and were valid for analysis, and the response rate was 74.8%. This ratio is very good for this type of study. No questionnaire was excluded from the final analysis because all its questions were answered. The following table shows the number of distributed and retrieved questionnaires.

Table 1: Number of Distributed and Recovered Questionnaires

Questionnaires	Number	Percentage %
Distributed Questionnaires	250	100
Retrieved Questionnaires	187	74.8
Unanswered questionnaires	63	25.2
Questionnaires excluded	0	0
Questionnaires included in the analysis	187	74.8

3. THEORETICAL FRAMEWORK

There is no difference in the importance of marketing strategy for profit-making businesses, industrial or commercial, small or large, because the marketing strategy KOTLER (2016; 2010) is marketing logic and the way the company hopes to build a profitable relationship with customers, by segmenting the market, targeting, positioning, determining which customers serve them and how to choose promising sectors and focusing on customer service in that sector. The development of marketing strategy comes after the development of strategic plans for the company that defines its mission and overall goals, BAKRI (2007) and it is the development of the organization's vision for the markets which it is interested in, the development and development of objectives, the preparation of marketing programs and

the precise allocation of elements of the marketing mix in accordance with the requirements of the target markets (EBIDAT, 2008).

Here are the tasks to be performed by the company and its marketing department, which must be implemented from marketing activities to reach its objectives. These activities are the elements of the marketing mix (4Ps), which is described by DUMATI (2011) as a set of tactical and controlled marketing tools that the company mixes to produce the response you want in the target market. The product means the mixture of goods and services offered by the company to its target market. Price means the amount that customers have to buy or obtain, and place means the activities of the company that make the product available to the target market of consumers, which means activities that deliver product benefits to customers and motivate them to buy.

X. Data Analysis Tool Measurement:

1. Characteristics of the study sample

Table (2) shows the characteristics of the study sample, showing that all the sample members are male. It also shows that the vast majority of the sample of the study are from the category (more than 46 years), which amounted to about (63.6%). The table indicates that about 65.0% of the respondents are BA holders, and that about 45% are highly experienced and over 21 years old. The results of this table give a perception of the level of awareness and awareness of the

respondents in a way that makes the results of the analysis more objective and can be accepted.

4. DATA ANALYSIS

Table 2: Characteristics of the Study Sample

Variables	Category	Frequency	Percentage %
Gender	Male	187	100
	Female	0	0.0
Age	25 years and less	2	1.0
	26-30 years	37	20.0
	31-35 years	40	21.0
	36-40 years	26	14.0
	41 - 45 years' old	23	12.0
	46 years and over	59	32.0
Educational Level	High School	0	0
	Diploma	0	0
	BA	122	65
	M.A.	63	34
	Ph.D.	2	1
	6-10 years' Experience Years 11-15 years	33	18.0
	16-20 years	44	24.0
	years 21 years and above	84	45.0

Validity was verified through the validity of the content of the Validity Content tool, using select elite of faculty members in the marketing and management sciences. The number of arbitrators reached 7, making the tool more accurate and objective in measurement. Stability was also verified by applying the Alpha Cronbach equation to ensure that the internal consistency between the dimensions of the tool was consistent with the aim of indicating the strength of bonding and cohesion between the scales.

Table 3 shows the results of the stability of the components of the marketing mix of the leading Jordanian institutions. In reviewing the values of Cronbach Alfa, the lowest was found in the pricing element (0.754) and the highest in the promotion element (0.957). The total value of Cronbach Alfa was 0.978, which is large enough for such a study.

Table 3: Results of the stability of the marketing mix elements of Jordanian SME products

Element	Number of paragraphs	Alpha value
Product	5	0.862
Pricing	5	0.862
Distribution	5	0.911
Promotion	5	0.957
Marketing performance	20	0.874
total summation	40	0.978

In order to verify that the study data were free from statistical errors that may adversely affect the results of the hypotheses of the study and to ensure the normal distribution of the data, the researchers verified that there is no problem of multiple correlations between the independent variables Tolerance and VIF, in addition to ensuring the distribution of study data compared to normal distribution. It is ascertained before the regression analysis that there is no high correlation between the multi co-linearity variables in addition to satisfying the data for the normal distribution condition.

Table 4: Results of the strength test of the correlation between the independent variables and the natural distribution of the components of the marketing mix of Jordanian SME products

Marketing mix elements	Allowed variation (tolerance)	Contrast magnification coefficient (VIF)	Torsion coefficient
Product	0.412	3.42	0.088
Pricing	0.351	2.71	0.015
distribution	0.324	3.45	0.250
promotion	0.291	3.98	0.320

Table (4) shows that the permissible tolerances of independent variables are greater than 0.1 and less than one true. Also, the inflation coefficient of the independent variable is less than 10. This indicates that there is no high correlation between the elements of the independent variable. The torsion coefficient showed that the current

data were associated with and approximated the natural distribution significantly since the values ranged between 0.015 and 0.320.

4.1. Test the hypothesis of research:

4.1.1. HO-Hypothesis

There is no statistically significant effect at the level of ($\alpha = 0.05$) of the strategies of the components of the marketing mix in their dimensions combined on marketing performance in Jordanian small and medium enterprises. Table 5 presents the results of regression analysis to test the impact of marketing mix strategies in their dimensions combined on marketing performance in its dimensions Small and medium. The results indicate rejection of the null hypothesis (HO). The results of the multiple regression analysis in Table (5) indicate a positive and strong relationship between the strategies of the combined marketing mix elements and the total marketing performance, with the value of $F = 122.574$ and a significant level ($0.000 < 0.05$).

The results of the analysis indicate that the marketing mix strategies were able to explain ($R^2 = 0.722$) the variation in the overall marketing performance level and this explanatory power is high and expresses the strength of the model. The results of the analysis indicate that all marketing mix strategies have a positive and significant impact

on overall marketing performance. The results indicate that the relative importance of the marketing mix strategies according to Beta coefficient values was as follows: Beta (0.262: Sig at 0.000), Beta (0.174: Sig at 0.000) Beta (0.135: Sig at 0.001) and the product (Beta = 0.093: Sig at 0.028), respectively.

Table 5: Multiple regression results: the impact of marketing mix strategies on marketing performance

Multiple R	R Square	Adjusted R Square	F Value	Sig. F	Durbin-Watson	Null Hypothesis Testing Results
0.850	0.722	0.712	122.574	0.000	1.954	Rejected
Independent Variables in the Multiple Regression Equation						
Independent Variables		Standardized Coefficients		T Value	Sig. T	
		Beta				
Insurance Product /		0.093		2.207	0.028	
Price		0.262		7.048	0.000	
Place / Distribution		0.174		1.131	0.000	
Promotion		0.135		3.262	0.001	

HO1 First Hypothesis

- There is no statistically significant effect at the level of ($\alpha = 0.05$) of marketing mix strategies in their dimensions on sales growth.

The results of the multiple regression analysis in Table (6) indicate a positive and significant relationship between marketing mix strategies and sales growth. These results mean rejecting the null hypothesis (HO) and acceptance of the alternative hypothesis (HA) where the value of ($F = 34.687$) and the moral level ($0.000 < 0.05$) and was able to interpret R^2 (0.412) of the variation in marketing mix strategies from sales growth.

Table 6: Multiple regression results: The impact of marketing mix strategies on sales growth

Multiple R	R Square	Adjusted R Square	F Value	Sig. F	Durbin - Watson	Null Hypothesis Testing Results
0.651	0.424	0.412	34.687	0.000	1.889	Rejected

Second Hypothesis

There was no statistically significant effect at the level of ($\alpha = 0.05$) of the marketing mix strategies in their dimensions on profit growth. The results of multiple regression analysis in Table (7) indicate a positive and significant relationship between marketing mix strategies and profit growth. These results mean rejecting the null hypothesis (HO) and accepting the alternative hypothesis (HA) where the value of $F = 62.633$ and a significant level ($0.000 < 0.05$) and was able to explain ($R^2 = 0.561$) the variation in marketing mix strategies on profit growth.

Table 7: Multiple regression results: The impact of marketing mix strategies on the growth of profits

Multiple R	R Square	Adjusted R Square	F Value	Sig. F	Durbin - Watson	Null Hypothesis Testing Results
0.755	0.571	0.561	62.633	0.000	1.850	Rejected

- There is no statistically significant effect at the level of significance ($\alpha = 0.05$) for marketing mix strategies in their dimensions to attract customers.

The results of multiple regression analysis in Table (8) indicate a positive and significant relationship between marketing mix strategies and customer attraction. These results mean rejecting the null hypothesis (H₀) and acceptance of the alternative hypothesis (H_A) where the value of ($F = 37.024 < 0.05$) and was able to interpret R² (0.428) of the variation in marketing mix strategies from customer attraction.

Table 8: Multiple regression results: The impact of marketing mix strategies on their dimensions to attract customers

Multiple R	R Square	Adjusted R Square	F Value	Sig. F	Durbin - Watson	Null Hypothesis Testing Results
0.663	0.440	0.428	37.024	0.000	1.864	Rejected

- There is no statistically significant effect at the level of significance ($\alpha = 0.05$) of marketing mix strategies in their dimensions to retain customers. The results of multiple regression analysis in Table (9) indicate a positive and significant relationship between marketing mix strategies and customer retention. These results mean rejecting the null hypothesis (H_0) and acceptance of the alternative hypothesis (H_A) where the value of $F = 36.321$ and a significant level ($0.000 < 0.05$) and was able to interpret R^2 (0.423) of the variation in the marketing mix strategies for customer retention.

Table 9: Multiple regression results: the impact of marketing mix strategies on their retention dimensions

Multiple R	R Square	Adjusted R Square	F Value	Sig. F	Durbin - Watson	Null Hypothesis Testing Results
0.660	0.435	0.423	36.321	0.000	1.864	Rejected

5. CONCLUSIONS

After the statistical analysis of the data collected for the purposes of this study, it was found that:

1 - There is a strong and positive relationship between the strategies of the components of the combined marketing mix and the performance of marketing in the leading Jordanian institutions. This confirms the importance and value of this

study so that the managers of these institutions can benefit from them.

2 - There seems to be a difference in considering the relative importance of each element of the marketing mix of the managers of Jordanian institutions leading SMEs where the pricing strategy was based on the largest dimension followed by distribution strategies and then the promotion strategy and product strategy. It may result in a variation in the processors.

3 - The existence of a positive and important impact and the relationship between marketing mix strategies and their dimensions on the growth of sales as one of the dimensions of the marketing performance of the leading Jordanian enterprises SMEs.

4 - The existence of a positive and important impact and the relationship between marketing mix strategies and their dimensions on profit growth as one of the dimensions of the marketing performance of small and medium enterprises SME.

5 - Effectiveness and a positive and important relationship between marketing mix strategies in their dimensions to attract customers as one of the dimensions of the marketing performance of small and medium enterprises SME.

6 - The existence of a positive and important impact and the relationship between marketing mix strategies in their dimensions to retain customers as one of the dimensions of the marketing performance of leading Jordanian enterprises SMEs.

7 - The weakness of the potential of Jordanian financial institutions and human administrative and objective reasons may be imposed by the Jordanian market environment and competition, and weak support from different parties.

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