



Dynamic Marketing Capabilities and Organizational Performance: The mediating role of Operational Marketing capabilities

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ABSTRACT:

This study draws on the dynamic capabilities theory to elaborate further on the active role of dynamic marketing capabilities in the food industry. This is always recommended by previous scholars to remeasure and reexamine the operational model of dynamic capabilities to provide practical recommendations for executive managers in different parts of the industry. Hence, this study aims to examine the indirect relationship between dynamic capabilities and organizational performance through operational marketing capabilities. A questionnaire designed and data came from 84 senior executives from 107 food firms in Iran. Our results indicate that dynamic marketing capabilities are critical in the reinforcing and reconfiguration of operational marketing capabilities and this can lead to enhanced organizational performance. Finally, several recommendations for managers and future studies are presented.

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1- Introduction

Several studies grounded in different theories including Resource-based view (Hughes et al, 2010; Sousa and Bradley, 2008; Hortinha et al, 2011; Griffith, and Dimitrova, 2014) and Dynamic capabilities (Okpara, 2012; Villar et al, 2014; Nguyen and Anwar, 2011). Resource-based view recommends emphasizing sustainable competitive advantage, on the other hand, the dynamic capabilities view, focuses more on competitive survival in response to rapidly changing business conditions (Wójcik, 2015). Hence, dynamic capability theory comes to develop the concept of

dynamic marketing capabilities (Freeman and Styles, 2014; Oura et al, 2016; Boso et al, 2017; Efrat et al, 2018). According to dynamic capabilities theory, the ability to react adequately to external changes requires a combination of multiple capabilities (Teece et al, 1997). That is why some scholars consider this concept as capabilities instead of capability. Although, several researchers believe that innovation is a key to economic growth and competitive advantage (Singh & Bhangoo, 2014; Tahat, 2020) few studies (Theoharakis, Sajtos, & Hooley, 2009; Tzokas et al., 2015) have empirically investigated the effect of operational marketing capability on organizational performance. Because several scholars believe that dynamic capabilities are difficult to measure (Wilden and Gudergan, 2014). This study is inspired by Wheeler, Bradley C. (2002), and their operationalized model of dynamic capabilities that explains how firms transform dynamic capabilities associated with net-enablement into customer value by using the dynamic capability theory. Organizations develop and deploy dynamic capabilities to adapt to changing business conditions. Having this approach leads organizations to upgrade and update their internal resource bundles (Koparan,2020). The business managers often struggle with competitive pressures to actively respond and assimilate new changes that modify the traditional business model to attract new markets and value networks (Karimi & Walter, 2016). Koparan (2020) point out that dynamic capability is an attempt to reconfigure and rebuilt internal resources to respond proactively to the customers' latent needs. Wilden et al (2016) points out that current studies are more focused on the responding part of dynamic capabilities while a more active role should be assigned to this concept. According to Zhou and Li (2009) most studies about dynamic marketing capabilities remain theoretical in nature. Then, the first purpose of this study is to cover this gap by including operational marketing capabilities in the research model. Today's dynamic capabilities literature is seeking to incorporate the role of dynamic capabilities to the marketing (Bruni and Verona, 2009; Landroquez et al., 2011). Dynamic marketing capabilities are the next concept introduced to respond to this requirement. The second purpose of this study is to elaborate



dynamic marketing capabilities with two components which include value innovation and proactive marketing orientation.

The focus of this research is to increase awareness and comprehension of the mediating role of operational marketing capabilities on the dynamic marketing capabilities and organizational performance. The study adopts a positivist philosophy, a deductive approach with a quantitative method, and uses a questionnaire to gather data from the Food industry in Iran.

2- Theoretical Background

2-1- Dynamic Capabilities

While resource-based view emphasizes resources and capabilities that support an organization's performance to catch a sustainable competitive advantage and explain how organization's capabilities are transformed into competitive advantage (Li et al., 2016), the dynamic capability view attempts to explain how organizations can attain sustainable competitive advantage by renewing and reconfiguring their capabilities and resources (Elsharnouby and Elbanna, 2021).

Dynamic capabilities have a concrete theoretical construct to understand the concept of competition (Muema, 2020). According to Chen et al (2022) The building and development of dynamic capabilities mainly involve organizations' internal and external environments.

Organizations are doing differently in the field of dynamic capabilities in that some of them are adapting at anticipating and exploiting the opportunities which are created by advanced technologies and rapid changes and some struggle and go out of business (Day & Schoemaker, 2016). Hassani and Mosconi (2022) argues that firms with little dynamic capabilities to enhance organizational performance face many survival challenges. Mikalef & Pateli (2017) state that managers can use dynamic capabilities to reduce production costs and enhance quality (Karimi & Walter, 2015). Warner & Wager (2018) argue that dynamic capabilities originate in innovation and provide the opportunity for organizations to extent and modify an organization's resources.

Sermontyte-Baniule et al (2022) states that Dynamic capabilities relate to higher-order activities that are linked to management's ability to sense and catch the opportunities, navigate threats, and combine and reconfigure their specialized and co-specialized properties to meet their changing customer needs, and to sustain their evolutionary fitness, therefore building durable value for investors.

2-2- Dynamic and Operational Marketing Capabilities

Dahlquist (2021) mentions that marketing dynamic capabilities is the responsiveness and efficiency of cross-functional business processes for creating and delivering customer value in response to market changes. Porter's (1985) model and the philosophy behind the competitive advantage strategy has become a widely accepted concept among scholars and practitioners. Among five significant elements of this strategy which are efficiency, quality, customer responsiveness, and innovation - Porter considers innovation as the most crucial part of competitive advantage strategy. Some scholars believe that dynamic marketing capabilities are an extended belonging to the broader set of dynamic capabilities (Barrales-Molina, 2014). Kachouie et al (2014) believe that dynamic marketing capabilities are when marketing adds into the dynamic capabilities. For example, IBM planned to develop its core competencies and capabilities to offer laptop computers (Harreld, O'Reilly III, & Tushman, 2007) which upgrades some level of innovation and ingenuity. The entrepreneurial imagination is a character of dynamic capabilities and this element of dynamic capabilities helps an organization to make new revenue streams by generating new capabilities to the production of new products and services (Dangol, 2012). Hoque (2017) believes that dynamic marketing capabilities are concerned with adopting market knowledge of competitors and consumer demand and organization's previous experience in how to settle market demand. Dynamic marketing capability is dealing with the market knowledge management process in different levels of organization from and individual's specialist activity to the overall organizational strategy implementation process (Hoque, 2017; De Noni and Apa, 2015). Therefore, organizations are always struggling with making the best possible use of their



resources and capabilities to enhance value creation and achieve competitive advantages (Dopfer et al, 2017; Muema, 2020). Moreover, to answer the rapid environmental changes, organizations need to have a quick response capability to adjust the organizations' internal activities to meet the needs of customers (Wang, 2011). Hence, success in the competitive environment requires organizations to respect to their core business models while adapting their business models with rapid changes outside (Muema, 2020). This is important to note that scholars often overlook the fact that dynamic capabilities are conditioned and sometimes limited by the external context, like the culture of the country (Dahlquist, 2021; Schilke et al, 2018). Apple is the perfect example of dynamic capabilities and strategic management. Although it is not a leader in technological leader, by following the proactive marketing strategy, it succeeds to respond quickly to the rapid environmental changes and catch the loyal customers who are ready to pay the premium price for its products. Apple is very dynamic in giving response to any changes coming from its competitors. For example, when Dell introduced its tablet in the market, Apple launched its iPad 2 in response (UK Essays, 2018). Apple has been emphasizing on developing its dynamic capabilities and not only on technology and it leads Apple to follow proactive market-oriented strategy. Dahlquist (2021) verifies dynamic marketing capabilities in terms of customer relationship management and product development management, and supply chain management. This study specifically considers value innovation and proactive marketing orientation as two elements of dynamic marketing capabilities. There is a difference between operational marketing capabilities and dynamic marketing capabilities. Dynamic capabilities underpin the evolution and development path of an organization's capabilities (Zahra and George, 2002) and play a critical role of configuring resources and capabilities (Ambrosini and Bowman, 2009). Takashi (2005) claims that operational capability consists of the skills and information necessary to operationalize, maintain and repair technology. According to this definition capabilities are those that applied for the development and production of technology, enabling response to rapid changes in the

technological environment. From another hand, Nelson and Winter (1982) and Winter (2003) argue that operational capabilities can be assumed static and zero-order when they are not subjected to the environmental changes directly and when employees inside organization are performing their tasks and routines habitual, without trying to find a new way for doing their tasks. Though, Clark (1899) argues that static production systems and processes cannot exist because the external environment is changing continuously. Hence, Winter (2003) defines operational capabilities as those that helps firms to survive on a continuous basis (Winter, 2003), by supporting customer value creation or optimizing activities leading to cost reductions. Operational capabilities contribute to performance improvements in a firm (Karna et al., 2016; Winter, 2003). However, dynamic capability enables firms to integrate, build, and reconfigure internal and external competences to respond to the rapidly changing environments (Teece et al., 1997). Collis (1994) believe that dynamic capabilities can renew firms' operational capabilities over time by offering new changes to the firm. To distinguish dynamic and operational marketing capabilities Table 1 introduces some items from previous researches:

Table 1: distinguishing factors between dynamic and operational marketing capabilities

Row	References	Explanation	Dynamic capability	Operational capability
1	Dangol (2012)	According to Klein (1977) when changes in output and input can be accounted then a change is assumed to have a static condition; otherwise, it have a dynamic condition.	Dynamic condition	Static condition
2	Knight (1921)	According to Knight (1921) the outcome of any change which can be predicted in advance, that change can be assumed as static change rather than dynamic	Unpredicted outcome-probably distribution cannot be applicable.	Predicted outcome-probably distribution is applicable.
3	March & Simon, 1958; Ansoff, 1965; Nelson & Winter, 1982	Because operational capabilities are directly involved in converting inputs into outputs, they are not subject to changes in the external environment directly.	Non-zero-order (Subject to change ⁰)	Zero-order (Not subject to change)
4	Henderson & Clark, 1990	Employees who are involved in converting input to output are only a small part of a bigger system and they can do their tasks without interferences from changes in other firm routines. For this reason, they cannot see how big picture is changing by a small change in their routines.	Are able to change operational capabilities	Won't be changed. Static routines and processes inside organization.



Row	References	Explanation	Dynamic capability	Operational capability
5	Maritan (2001); Mitchell (2009)	Managers lack information to use financial tools such as NPV to initiate projects. When managers cannot use probably distribution for outputs, the level of uncertainty will be higher.	Uncertain conditions-uncertain outputs	Risk conditions-risky out puts

on of DCs, a position that views DMCs as belonging to the broader set of DCs (Bruni and Verona 2009; Easterby-Smith and Prieto 2008), as well as to ‘dynamic managerial capabilities’ (Adner and Helfat 2003; Kor and Mesko 2013).

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2-3-Conceptual framework and hypothesis development

Wang (2013) claims that organizations should build a market intelligence to analyze and answer rapidly to the change of their customers’ demands. Researchers believe that highly market-oriented organizations strive to create customer value and improve the organizations’ performance (Wang, 2013; Morgan et al, 2008). The impact of marketing capabilities on organizational performance has been emphasized by various scholars (Day, 1994; Akdeniz, Gonzales-Padron and Calantone, 2008; Patwardhan, 2009). Considering that organizations with superior capabilities are more able to respond quickly to the latent needs of customers and catch a better knowledge from market (Day,1994). According to Patwardhan (2009), dynamic marketing capabilities provides organizations the ability to generate information to satisfy their customers. Then, dynamic marketing capabilities are doing this by generating value and innovation through operational marketing capabilities. Kotler and Keller (2009) point out that marketing is embedded in everything over the organization and everyone is responsible to deliver superior value to the

customers (Webster, 1997). Moreover, Wang (2013) claims that organizations should build a market intelligence to analyze and answer rapidly to the change of their customers' demands. Researchers believe that highly market-oriented organizations strive to create customer value and improve the organizations' performance (Wang, 2013; Morgan et al, 2008). From another hand, while marketing orientation is the mechanism that emphasized on adaptive or exploitative learning (Baker and Sinkula ,1999), proactive marketing orientation helps to respond to unwanted needs of customers. Then, organizations with higher dynamic marketing capabilities would be more equipped with values to reconfigure and enrich their internal and external resources and consequently they would have better results in operating their activities and routines and providing more superior value to customers. Then, we hypothesized that because business leaders in the food industry are straggling with competitive pressure to adapt and assimilate innovations that destroy traditional business models, it requires these organizations to extend dynamic capabilities in their business structures. It is therefore hypothesized that:

- *Dynamic marketing capabilities a) proactive market orientation and b) value innovation positively impact operational marketing capabilities.*

Scholars have been always looking for how and when capabilities are developed and then impact organizational performance (Patwardhan, 2009). Nelson and Winter (1982) made early attempt to understand what is the source of capability and they found the source of learning. In fact, learning is the key for organizational knowledge which is imbedded in routines and processes.

Day (1994) suggested that: "*Assets are the resources the business has gained*" whereas *capabilities are the "glue that brings these assets together and enables them to be deployed advantageously."*

According to this, capability cannot be measured monetary and they are so deeply imbedded inside the organizational routines and processes (Patwardhan, 2009). Here, operational marketing capabilities are addressing the integrative organizational process with the aim of market knowledge enhancement, consumer recognition, and market turbulence knowledge. Day (1994,



2011), Vorhies and Morgan (2005) believe that dynamic capability empowers organizations with innovation and customer recognition and nurturing current customer relationships. All these are crucial components of operational capability that provide further research and development and better customer relationship management. Collis (1994) and Nagy et al (2019) emphasized on the role of dynamic marketing capabilities for creating an intellectual operational marketing capability linearly. While some other researchers (Rigby & Zook, 2002) believe that operational capability and dynamic capability are mutually reinforcing each other. Nagy et al (2019) believe that operational marketing capabilities can bring customer insight and product innovation into an organization and it can bring competitive advantage to the organization. We hypothesized that organizations with higher dynamic capabilities will have a better understanding of their customers' latent needs and more enriched market knowledge. Hence, they are more capable to transfer this knowledge throughout all processes and routines by using operational capability which in turn improve organizational performance. Basically, we hypothesized that dynamic capabilities can influence firm performance through reconfiguring operational capabilities. Then the second hypothesis formulated as below:

- *Operational capability can affect positively on organization performance.*

Wang (2013) asserted that highly market-oriented organizations also need to have higher market intelligence. The complex nature of various environmental factors of today's markets leads organizations to be capable of addressing the changing customers' needs (You, Dal Bianco, Lin, & Amankwah-Amoah, 2019; Hajli et al, 2020). According to Wang (2013), the marketing process that a firm uses to respond to the environmental changes is directly related to the targeted market position and affected by its market orientation. For instance, Walmart has caught the perfect price position by following the proactive market orientation strategy and focus on bulk sales to maximize sales rather than overpricing products. Helfat & Peteraf (2003) suggest that dynamic capabilities can influence organizational performance indirectly by integrating, updating and

reconfiguring organizational routines and processes. Kitchens et al (2018) believe that sustainable competitive advantage can be achieved by analyzing data that are collected from the market and it brings the agility to organizations. In fact, the more engaged organizations in learning activities the higher is dynamic capabilities, because these types of organizations have a better knowledge from external environment and hence, able to renew their routines (Grant, 1996; Helfat & Peteraf, 2003; Zollo & Winter, 2002). Consequently, this new knowledge leads to the development of new capabilities and resources that help a firm catch a competitive advantage (Dangol, 2012). To do this organizations need to nurture their dynamic capabilities. Moreover, it is asserted by Dangol (2012) that operational capabilities lack the ability to change on their own or to change other capabilities, while, dynamic capabilities are able to change operational capabilities and change on their own. Therefore, we hypothesize that highly market-oriented organizations and highly innovator organizations can improve their performance through operational capability.

- *The relationship between dynamic capability a) proactive market orientation, b) value innovation and organizational performance is mediated by operational capability.*

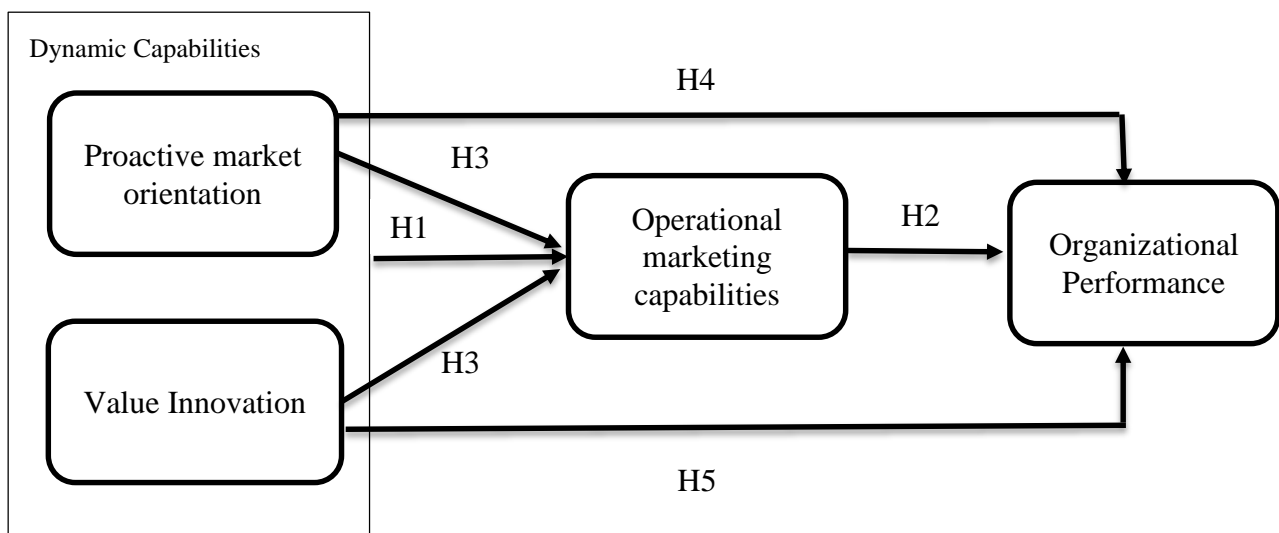


Figure 1: Research Conceptual Model and Hypothesis



3- Method

3-1- Sample and data collection

Data acquired from a sample of managers working in Mashhad Industrial Estate in Iran among chief executive officers and senior marketing managers within the finance and marketing area. A sample size of 84 food companies in Mashhad Industrial Estate¹ selected by using convenience sampling. Respondent details are acquired from a professional research firm and data collected via questionnaire. The researcher distributed questionnaires in person. To improve the response rate, respondents were assured of confidentiality and informed that results would be published in an aggregated form. In total, 84 responses were obtained with 73 percent (62 people) top management role and more than 15 years' experience, 14 percent junior managers, and 5-10 years' experience, 12 percent senior managers with 10-15 years' experience. A large proportion of respondents (44 percent) reported having worked in that same organization for 15 years or more.

3-2- Measures

All constructs are measured with a seven-point Likert scale based on existing literature. Following an in-depth literature review and pre-test analysis with academic experts, some modifications made to items. To make sure no concepts are missed during translation, we translated questions to Farsi from English and then asked some of the university experts to check its clarity. Consulting with professors provided feedback on any ambiguous questions, inappropriate or sensitive questions, general structure, or the layout of the questionnaire. Finally, minor modifications were made to the wording of the questionnaire to reduce potential measurement errors. To analyze data, a two-stage structural equation modeling (SEM), suggested by Anderson and Jibing (1988), was used AMOS software applied to analyze data.

¹. is a village and company town in the Central District of Mashhad County, Razavi Khorasan Province, Iran. 150 food companies are active in that district.

3-3- Data Analysis Strategy

Construct validity measured with confirmatory factor analysis (CFA). Also, internal consistency assessed through Cronbach's alpha analysis. Table 2 shows the results for Cronbach's alpha analysis. According to this table, all questionnaire variables and the model's constructs are reliable enough.

Table 2: Cronbach's alpha analysis for questionnaire

Variables	Dimensions	Cronbach's alpha for dimensions	Cronbach's alpha for variables
Dynamic marketing capabilities	Market proactive orientation	0.819	0.907
	Value innovation	0.830	
Marketing operational capabilities	-	-	0.940
Organizational performance	-	-	0.909

Then, the Kaiser–Meyer–Olkin (KMO) measure of sampling adequacy and Bartlett's test of sphericity applied to examine the suitability of CFA. Next, confirmatory factor analysis was conducted utilizing AMOS to determine whether the hypothesized factors were supported by the data (Hair et al., 2014) and to test convergent validity and discriminant validity (Churchill and Iacobucci, 2002). Structural equation modeling (SEM) was used to test hypotheses by applying AMOS. This step included measurement model assessment and structural model assessment (Schumacker and Lomax, 2010). The measurement model assessment performed to verify the fit of observed variables to latent variables, while the structural model assessment tests the hypothesized relationships (Arbuckle, 2011). In the next step, hypotheses tested using a multi-mediation analysis. Multi-mediation performed using SEM to examine multiple relationships among variables simultaneously and to decrease the probability of parameter bias as a result of omitted variables (Preacher and Hayes, 2008). Table 3 shows the results for Kaiser–Meyer–Olkin and Bartlett's test.

Table3: Results for Kaiser–Meyer–Olkin and Bartlett’s test

Variables	Dimensions	KMO	Bartlett’s test	KMO Results	Bartlett’s test
Dynamic marketing capability	Proactive marketing orientation	0.780	0.000	0.918	0.000
	Value Innovation	0.804	0.000		
Operational marketing capability	-	-	-	0.919	0.000
Organizational Performance	-	-	-	0.882	0.000

4- Results

4-1- Measurement Model Assessment

A satisfactory fit between the data and the measurement model were indicated by measurement model fit statistics ($\chi^2 = 1526.60$, CFI = 0.941, RMSEA = 0.063 and RMR = 0.074). The root mean square residual (RMR) and standardized root mean square residual (SRMR) are the square root of the discrepancy between the sample covariance matrix and the model covariance matrix. The CFI compares the fit of a target model to the fit of an independent model--a model in which the variables are assumed to be uncorrelated. In this context, fit refers to the difference between the observed and predicted covariance matrices, as represented by the chi-square index χ^2 / df values are close to 1, signifying acceptable fit (Carmines and McIver, 1983), CFI value is above 0.9, representing well-fitting models (Hair et al., 2014), RMSEA value is less than 0.8, indicating fair fit, and RMR value is less than 0.8, showing a good fit (Hu and Bentler, 1999). Table 4 summarizes the results.

Table 4: Results for Measurement Model Assessment

Criteria	Symbol	Accepted value	Ideal Value	Measured Model
DF	df			624
chi square	χ^2	$2df \leq \chi^2 \leq 3df$	$0 \leq \chi^2 \leq 2df$	1526.06
Modified Chi square	χ^2/df	$2 < \chi^2/df \leq 3$	$0 \leq \chi^2/df \leq 2$	2.445
Fit goodness index	GFI	$80 \leq GFI < .95$	$.95 \leq GFI \leq .80$	0.901
The root mean square residual	RMR	$0 \leq RMR < 0.1$	$0 \leq RMR \leq .05$	0.074
standardized root mean square residual	SRMR	$0.5 < RMSEA < 0.8$	$0 \leq RMSEA < 0.5$	0.063
comparative fit index	CFI	$.90 \leq CFI < .97$	$.97 \leq CFI \leq 1$.941
The adjusted goodness of fit index	AGFI	$.5 < PGFI < .60$	$.60 \leq PGFI \leq 1$	0.552

4-2- Direct effects analysis

Our structural model shows acceptable fit to the data ($\chi^2 = 1560.911$, $df = 622$, $\chi^2 / df = 2.509$, $CFI = 0.963$, $GFI = 0.880$, $RMSEA = 0.071$ and $SRMR = 0.058$). Based on McDonald's and Ho's (2002) recommendation, model modification results indicate that there is a significant direct relationship between dynamic marketing capabilities and organizational performance. Results indicate a significant positive effect of the proactive marketing orientation on operational marketing capabilities (Value digit= 4.222, $p < 0.001$; Path coefficient= 0.70). Then, organizations with smart knowledge about the evolution of their industry sector have a better orientation toward target customers. In fact, by having this knowledge, organizations discover potential opportunities and also deficiencies in existing capabilities and better reconfigure their capabilities. According to Narver et al (2004), the development of capabilities has a strong relationship with knowledge from markets in which it helps firms to exploit the opportunities and absolve deficiencies. Besides that, knowledge from markets helps firms to respond actively to the customers' latent needs which make a strong positive relationship with innovation. The result of the path coefficient regression for the second direct relationship in our study is the significant positive effect of value innovation on operational marketing capabilities (Value digit=6.044, $p < 0.001$; Path coefficient= 0.91). By engaging in value innovation activities, organizations create new value for customers in innovative ways. To benefit from new forms of customer value, organizations need to develop new ways to deliver value to customers. Kachouie et al (2018) believe that when a firm starts a journey to innovation, it needs proactively to develop and renovate and enrich organizational resources and capabilities. Our results indicates that there is a significant positive effect of operational marketing capabilities on Organizational performance (Value digit= 2.702, $p < 0.001$, Path coefficient= 0.66), value innovation on organizational performance (Value digit= 3.885, $p < 0.001$; Path coefficient= 0.46) and proactive marketing orientation on organizational performance (Value digit=12.324, $p < 0.001$; Path coefficient regression= 0.67). Our findings support several previous results on the

relationship between marketing dynamic capabilities and organizational outcomes (Buccieri, Javalgi and Cavusgil, 2020; Santos-Vijande et al., 2012).

4-3- Mediated effects analysis

The results indicate that operational marketing capabilities mediate the relationship between proactive marketing orientation and organizational performance ($p < 0.01$; path coefficient = 0.462), and Value innovation and organizational performance (path coefficient= 0.6, $p < 0.01$). Based on dynamic capability theory, innovativeness, unpredictability and task-flexibility are positively related to competitive advantage (Efrat et al,2018). Hence, it can be concluded that with a proactive market orientation, a firm actively tries to establish mutually high efficient exchange relationships with customers. Because according to Narver et al, 2004, market orientation is a business perspective to discover, understand and satisfy the unwanted needs of customers. Three components of market orientation strategy including customer orientation, competitor orientation, and inter-functional coordination helps a firm to discover unwanted needs of customers and new movements of competitors and environments’ new challenges and opportunities. This strategy leads firms to catch a special advantage over competitors that cannot be easily copied and imitated by competitors. Table 5 shows the results.

Table 5. the results of path coefficients for hypothesis

Row	Direct path	Path coefficient	P-Value	Statistical Significance	Result
1	Proactive marketing orientation -----> operational marketing capabilities	0.7	0.001	4.125	Significant
2	Value innovation -----> operational marketing capabilities	0.91	0.000	6.044	Significant
3	operational marketing capabilities -----> Organizational performance	0.66	0.001	2.702	Significant
4	Proactive marketing orientation -----> Organizational performance	0.67	0.000	12.324	Significant
5	Value Innovation -----> Organizational performance	0.46	0.000	3.855	Significant
6	Proactive marketing orientation -----> operational marketing capabilities-----> Organizational performance	0.462	0.000	5.566	Significant
7	Value Innovation -----> operational marketing capabilities-----> Organizational performance	0.60	0.000	5.769	Significant

5- Discussion and conclusion

5-1- Theoretical Contribution

This study contributes in several ways to the literature of dynamic capabilities, and specifically dynamic marketing capabilities. First, we reexamined the proposed conceptual framework offered by Kachouie et al (2018) in the Food industry after an extensive review of the literature. This study more explores the mechanism by which dynamic marketing capabilities are linked to organizational outcomes. This framework and the proposed relationships provide a more comprehensive explanation for complementary strategies in a less known industry in a developing country. Second, this study is remeasuring the operational model of dynamic capabilities in a developing country. our results are indicating the indirect positive relationship between proactive marketing orientation and organization performance through operational capabilities. Proactive marketing orientation and responsive marketing orientation differ in which proactive marketing orientation is closely related to value creation. Moreover, Operational capabilities help an organization to perform its ongoing activities to maintain the status quo. Hence, organizations with a higher degree of dynamic marketing capabilities and having proactive marketing orientation have a stronger ability to reconfigure their resources and abilities to deliver value in their new products to the customers. Third, According to Wilden and Gudergan(2015) and Kachouie et al (2018), there are several theoretical studies into dynamic marketing capabilities and some of them cover it in general. Thus, there is few empirical studies covering dynamic and operational marketing capabilities. The current study conceptualized and remeasured two components of dynamic marketing capabilities (value innovation and proactive marketing orientation) by digging deep into the literature. Hence, the results would be significant if we test and measure dynamic marketing capabilities in developing countries.

5-2- Managerial implications

Our research has useful implications for managers. This study presents two specific components of dynamic marketing capabilities to the managers. It helps managers to know how dynamic



marketing capabilities can link operational marketing capabilities to the better performance. According to Lawson (2001), the capabilities of the dynamic marketing theory are difficult to operationalize and are sometimes vague. This study provides two tools to the managers to identify which factors should be highlighted and invested on to have a better performance. Second, this study sheds light on the concept of dynamic marketing capabilities by differing it from operational marketing capabilities. Barrales-Molina et al (2014) believed that although many managers are aware of the concept of dynamic marketing capabilities, they do not develop a broad perception of it. This study helps them to have a better understanding of this concept. This study suggests that firms with limited resources could emphasize continuously promoting dynamic capabilities. Moreover, this study reinforces Day (2011) that suggests that firms need to engage in the environment to enhance their knowledge of markets and exploit opportunities. This study focused on the role of research and development in firms.

5-3- Limitation and future recommendations

Certain limitations are relevant to our study; limitations that also create opportunities for future investigation. First, we tested the mediating role of operational marketing capabilities on two components of dynamic marketing capabilities and organizational performance in this study. Future research should investigate other factors that might impact the operational marketing capabilities inside the field of dynamic marketing capabilities. For example, it would be appropriate to study the responsive marketing orientation or environmental turbulence in different contexts. Second, our sample covers only the food industry. Our next recommendation would ask other studies to study service firms and compare the results to those obtained in this study. Service companies can provide a different result because they invest more in customer relationship management processes due to the nature of relationships in service contexts.

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