LEVERAGING DYNAMIC MARKETING CAPABILITIES TO RESPOND TO CHANGES IN THE MARKET ENVIRONMENT: EMPIRICAL EVIDENCE FROM THAILAND

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"I commit that the knowledge, skills, experiences, and obviously, the dynamic marketing capabilities I have obtained during this Ph.D. study will be used to develop the country and will positively impact the world."

Sawitree Santipiriyapon

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ABSTRACT

Dynamic marketing capabilities (DMCs) is one of the promising concepts that could address the effect of the ever-changing business environment. This new term was studied mostly as a mean of conceptualizing a theory in the context of developed markets. Nevertheless, there are lack of DMCs studies in emerging markets, which DMCs are likely to have different contexts and processes compared with those in developed markets. This study seeks to fill the current gaps in the literature, and provide the basis for future research to explore and shed additional light on this emerging concept.

This dissertation aims to investigate the key factors influencing the dynamic marketing capabilities development and maintenance processes that help organizations to stay market-oriented over time. In choosing a representative of emerging markets in a qualitative study, the researcher chose Thailand, where the environment is highly dynamic and complicated. This empirical study applied an in-depth investigation of multiple organizations through the case study method, which combines various evidence within the analysis to answer how each organization develops and maintains its dynamic marketing capabilities.

The findings drawn from the five case firms indicate that top management with high commitment, a transformational leadership style, and mastery of external and internal networks positively influence the organizational culture and support the development of dynamic marketing capabilities. This organizational culture includes trust and accountability, being a learning organization, and psychological safety. An empirical framework and propositions are provided for academic researchers to conduct further study of dynamic marketing capabilities. In addition, top management teams, especially those who lead the marketing and strategy functions, can apply the framework and propositions in their managerial practices to make the organizations stay market-oriented over time.

KEYWORDS: Dynamic Marketing Capabilities/ Top Management Team/ Intra and Inter-Organizational Networks/ Organizational Culture

286 Pages

ชื่อวิทยานิพนธ์ภาษาไทย การใช้ประโยชน์จากศักยภาพเชิงพลวัตทางการตลาดเพื่อตอบสนองต่อความเปลี่ยนแปลงในสภาพแวดล้อมธุรกิจ: กรณีศึกษาเชิงประจักษ์จากประเทศไทย

ชื่อวิทยานิพนธ์ภาษาอังกฤษ LEVERAGING DYNAMIC MARKETING CAPABILITIES TO RESPOND TO CHANGES IN THE MARKET ENVIRONMENT: EMPIRICAL EVIDENCE FROM THAILAND

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บทคัดย่อ

ดุษฎีนิพนธ์ฉบับนี้มีวัตถุประสงค์เพื่อค้นหาปัจจัยหลักที่มีอิทธิพลต่อการกระบวนการการพัฒนาและรักษาศักยภาพเชิงพลวัตทางการตลาดเพื่อให้องค์กรธุรกิจสามารถใช้กลยุทธ์ตลาดเป็นตัวนำได้อย่างยั่งยืน ผู้วิจัยศึกษาโดยใช้การวิจัยเชิงคุณภาพโดยให้ประเทศไทยเป็นตัวแทนของประเทศตลาดเกิดใหม่ที่มีสภาพแวดล้อมที่ท้าทายเนื่องจากการเปลี่ยนแปลงของสภาพตลาดในประเทศอย่างรวดเร็วและซับซ้อน การศึกษาเชิงประจักษ์นี้ใช้รูปแบบการวิจัยแบบการสำรวจตรวจค้นเชิงลึกโดยใช้เครื่องมือการวิจัยเชิงคุณภาพที่หลากหลายว่าองค์กรมีการพัฒนาและรักษาศักยภาพเชิงพลวัตทางการตลาดอย่างไร ผลการวิจัยจากกรณีศึกษาห้าองค์กรธุรกิจพบว่า ทีมผู้บริหารระดับสูงส่งผลกระทบต่อวัฒนธรรมองค์กรที่เป็นปัจจัยหลักที่มีอิทธิพลต่อกระบวนการการพัฒนาและรักษาศักยภาพเชิงพลวัตทางการตลาดและส่งผลให้องค์กรสามารถสร้างความได้เปรียบทางการแข่งขันในสภาพแวดล้อมธุรกิจที่เปลี่ยนแปลงไปอย่างรวดเร็ว ทีมผู้บริหารระดับสูงที่ให้พันธสัญญาแก่ทีมงาน มีภาวะผู้นำการเปลี่ยนแปลง และมีเครือข่ายทั้งภายในและภายนอกองค์กรที่แข็งแกร่งส่งผลกระทบเชิงบวกต่อวัฒนธรรมองค์กร โดยจะก่อให้เกิดการปฏิบัติงานบนพื้นฐานแห่งความไว้เนื้อเชื่อใจและความรับผิดชอบ วัฒนธรรมองค์กรแห่งการเรียนรู้ ความปลอดภัยทางด้านจิตใจ และทำให้พนักงานเกิดแรงจูงใจ

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CHAPTER I
INTRODUCTION

1.1 Introduction

While emerging markets have created significant opportunities for business enterprises, they have also presented them some major challenges. Firms operating in such a dynamically changing environment may encounter a number of challenging issues, any one of which could form a potential barrier to the performance and growth of the firm. Consequently, it has become clear that firms need to become market oriented and develop specific capabilities to address all the challenges that are present in emerging markets (Gebhardt, Carpenter, & Sherry, 2006; Khalid & Larimo, 2012; Morgan, 2012).

Previous studies have broached the subject of market orientation in the field of marketing. The two schools of market orientation of Kohli and Jaworski (1990) and Narver and Slater (1990) have been widely accepted as the most popular in an increasingly saturated field. Meanwhile, in the field of strategic management, the dynamic capabilities concept originated by Teece and Pisano (1994) has been applied in the study of both developed and emerging markets (Börjesson & Elmquist, 2011; Danneels, 2011; Rice, Liao, Galvin, & Martin, 2015). Recently, scholars in the field of marketing and strategic management have begun to discuss "dynamic marketing capabilities", a new term which was coined by Bruni and Verona (2009) and further defined by Barrales-Molina, Martínez-López, and Gázquez-Abad (2014). These papers extended the existing knowledge by defining dynamic marketing capabilities as the ability to utilize market knowledge to adapt organizational resources and dynamic capabilities to renew the organization as a whole.

Fundamentally, dynamic marketing capabilities is the new line of research that draws from the concepts of market orientation and dynamic capabilities (Barrales-Molina et al., 2014; Morgan, Vorhies, & Mason, 2009). These concepts were originally rooted in the resource-based view (RBV) (Barney, 1991; Wernerfelt, 1984) which

considers the effect of a firm's resources and capabilities when explaining why firms differ and how they are able to achieve and sustain a competitive advantage (Barney, 1991, 1995). However, this theory seems to apply mainly to firms in a stable environment, which is not conducive to creating a significant competitive advantage (Ambrosini, Bowman, & Collier, 2009; Teece, Pisano, & Shuen, 1997; Wang & Ahmed, 2007). Accordingly, Teece et al. (1997) and Ambrosini et al. (2009) identified how the dynamic capabilities concept could overcome this limitation of the RBV by offering an alternative explanation for how firms can sustain resource-based advantages in dynamic environments. Many scholars have subsequently defined dynamic capabilities (DCs) into different perspectives. For instance, Teece et al. (1997) defined the original definition of dynamic capabilities as "the firm's ability to integrate, build, and reconfigure internal and external competence to address rapidly changing environments" (p.516). Other scholars claimed that dynamic capabilities are on-going learning processes that focus on a firm's ability to extend objectively and modify its operating routines or create ordinary capabilities (Helfat et al., 2007; Winter, 2003; Zollo & Winter, 2002).

In the strategic management field, scholars have studied dynamic capabilities in different issues and diverse market conditions. For example, Dixon, Meyer, and Day (2014) studied the micro-foundations of dynamic capabilities that helped a Russian oil firm to sustain a competitive advantage in a highly unstable market environment. They found that adaptation dynamic capabilities and innovation DCs were important for organizational transformation. Meanwhile, in their study of emerging market manufacturing firms, Malik and Kotabe's (2009) model of dynamic capabilities development mechanisms identified three constituents: organizational learning, reverse engineering, and manufacturing flexibility. Moreover, Rice et al. (2015) and Khalid and Larimo (2012) claimed that the deployment of dynamic capabilities is necessary for a firm to be successful in increasing its performance in emerging markets.

Following the integration of the marketing and strategic management fields, one of the most significant issues has been the role of strategic marketing management in the development of dynamic marketing capabilities as a possible solution for firms operating in a dynamic environment (Barrales-Molina et al., 2014). Nevertheless, this new term was studied mostly as a means of conceptualizing a theory in the context of

developed markets (Kachouie, Mavondo, & Sands, 2018; Rodenbach & Brettel, 2012). However, in emerging markets, dynamic marketing capabilities are likely to have different contexts and processes compared with those in developed markets. While there are an increasing number of papers studying the transition and emerging markets, the field still lacks empirical studies that could explain how dynamic marketing capabilities work in action (Dixon et al., 2014; Konwar et al., 2017; Malik & Kotabe, 2009; Schilke, 2014). Hence, this study aims to adopt an exploratory design to explore the in-depth meaning as well as to study how dynamic marketing capabilities really work in organizations, what the mechanisms are, and lastly how firms could develop and maintain dynamic marketing capabilities over time.

1.2 Problem statement and research objectives

1.2.1 Problem statement

Studies of dynamic marketing capabilities development still tend to rely on a conceptual basis (Barrales-Molina et al., 2014). Only a limited number of papers have studied the details of this topic empirically. However, some studies have attempted to explore different aspects of dynamic marketing capabilities, such as measurement instruments (Wang, Hu, & Hu, 2013) development (Rodenbach & Brettel, 2012) , and synergies with market orientation.

This study seeks to fill the current gaps in the literature, and provide the basis for future research to explore and shed additional light on this emerging concept. First, more enablers of dynamic marketing capabilities can be identified and examined. Second, different aspects of the business ecosystem involved in the joint creation of knowledge and value Kohlbacher (2007) can be explored. Finally, since none of the previous studies in this field have empirically examined how the firms in emerging markets develop and maintain their dynamic marketing capabilities to stay competitive over time, this represents another potential area for more in-depth study.

In summary, more empirical research is needed to explain both how firms can develop and maintain successful dynamic marketing capabilities and how they can capitalize their potential value. Case studies of firms with dynamic marketing

capabilities would be particularly valuable in this respect (Barrales-Molina et al., 2014, p. 410). Starting from the integrative framework of Barrales-Molina et al. (2014), this study will, therefore, conduct multiple case studies to investigate how firms in highly dynamic markets develop and maintain their dynamic marketing capabilities. This study will then investigate how enablers benefit the underlying process. In addition, it will use the four knowledge-based underlying processes as essential criteria for proposing new dynamic marketing capabilities by showing how real firms use their resources and capabilities to integrate marketing knowledge for organizational renewal.

1.2.2 Research objectives

This research aims to study the dynamic marketing capabilities of both local and foreign firms in emerging markets and provide a greater understanding of how these firms develop and maintain their dynamic marketing capabilities to stay market-oriented over time.

More specifically, the research objectives are:

1. To examine the impact of dynamic marketing capabilities on how firms respond to changes in the market environment.
2. To investigate how firms develop and maintain their dynamic marketing capabilities to stay market-oriented over time.

1.3 Research questions and operational definitions

1.3.1 Research Questions

1. How could firms develop dynamic marketing capabilities to stay market-oriented over time?
2. How could firms maintain dynamic marketing capabilities to stay market-oriented over time?

1.3.2 Operational definitions for the purpose of this research

Market orientation (MO)

Market orientation (MO) is defined as a cross-functional process of generating and disseminating intelligence as well as employing that intelligence to reflect how the dynamics within an organization respond to changing environments. This company-wide process is integrated by collaboration and alignment among the top management, cross-departments, and supporting systems and is the center for organization achievement (Kohli & Jaworski, 1990).

Dynamic capabilities (DCs)

Dynamic capabilities (DCs) is defined as an ongoing learning process of sensing, learning, integrating, and coordinating the available resources and intelligence to enhance organizational ability to stay competitive within changing contexts which in turn drives business performance (Eisenhardt & Martin, 2000; Helfat et al., 2007; Teece et al., 1997; Wang & Ahmed, 2007; Winter, 2003; Zollo & Winter, 2002).

Marketing capabilities (MCs)

Marketing capabilities (MCs) is defined as market knowledge about customer needs as well as experience in forecasting and responding to these needs. Marketing knowledge is all knowledge, both declarative as well as procedural, concerning marketing thinking and behavior in a corporation (Day, 1994).

Dynamic marketing capabilities (DMCs)

For the purpose of this research, dynamic marketing capabilities (DMCs) is defined as the capabilities that involve the utilization of market knowledge to adapt organizational resources and dynamic capabilities to renew the organization as a whole through the contribution of cross-functional departments (Barrales-Molina et al., 2014; Bruni & Verona, 2009; Kohli & Jaworski, 1990).

1.4 Scope of the dissertation

Emerging market contexts challenge some of the assumptions of theories originally developed for markets that are relatively stable and efficient. On the other hand, these differences have also led the charge in advancing theories by drawing attention to the context-specific nature of capabilities studies. To address this gap,

empirical in-depth study is needed to explore how the theories developed in the stable markets work in more dynamic environments, such as in countries with emerging economies.

This research aims to explore how firms in emerging markets could develop and maintain their dynamic marketing capabilities to respond to rapid changes in the emerging market environment. Thailand has been selected as the setting for this research due to its strong characteristic of rapid market development, which requires swift and flexible responses from firms. Thailand has made notable progress in social and economic development, moving from a low-income country to an upper-income country in less than a generation. The country has laid out its long-term economic goals in its 20-Year National Strategy (2017–2036) for reaching developed country status through comprehensive reforms. These reforms address economic stability, human capital, equal economic opportunities, environmental sustainability, competitiveness, and effective government bureaucracies.

The above factors have enabled Thailand to retain its position in the top 50 countries for doing business. Indeed, the country is popular with many of the largest emerging markets funds; it ranked number five among the best-emerging markets in 2014. However, the transformation Thailand is undergoing also creates potential business challenges for firms operating in the market. Businesses in this environment are required to adapt and respond to these dynamic changes. Exceptional firms are the ones, which can develop their capabilities to stay more competitive than their rivals and be proactive in dealing with the changes in the market. The context in this market is unique since there are complicated factors that influence the business environment, such as digital transformation, fast changing market trends, gaps between the social classes, political turmoil, and natural disasters. This makes Thailand an interesting market in which to conduct the case studies aimed at uncovering how firms in this market develop and maintain their dynamic marketing capabilities.

CHAPTER II
LITERATURE REVIEW

The origins of the concept of dynamic marketing capabilities are rooted in conventional theories and modern concepts, namely the resource-based view (Barney, 1991; Wernerfelt, 1984), institutional theory (North, 1990), dynamic capabilities (Teece & Pisano, 1994), market orientation (Kohli & Jaworski, 1990), and marketing capabilities (Day, 1994; Vorhies & Morgan, 2005). This chapter provides a comprehensive review of related theories in order to ground a solid understanding of the foundation of dynamic marketing capabilities.

2.1 Resource-based view

As the institutional context changes, there are essential fluctuations both in a firm's advantage structures and in its orientations (Hoskisson, Eden, Lau, & Wright, 2000). A resource-based view is concerned with the influence of a firm's resources and capabilities in explaining why firms differ in their performance and how they achieve and sustain competitive advantages. This view includes capabilities, knowledge, and learning. The resource-based view of the firm (RBV) founded by (Barney, 1991) represents a different view that stresses the internal features of a firm. The influence of the RBV is that it advances the idea that "a firm's competitive position is defined by a bundle of unique resources and relationships" (Rumelt & Lamb, 1984, p. 557).

Before the development of the RBV, Penrose (1959) firstly recognized the importance of resources to a firm's competitive growth. The study contended that for a firm with a collection of fruitful resources, its development would be subject to the way in which it deployed those resources. In earlier research leading to the development of RBV, Teece (1982), Wernerfelt (1984), and Barney (1991) created a comprehensive theoretical framework from a resource-based perspective. As stated by Barney (1991), firms can be conceptualized as bundles of resources and capabilities that are

heterogeneously allocated within the firms and which are imperfectly mobile. The differences in resource endowment across firms over time, thus, allows for a resource-based competitive advantage. The vital suggestion for organizational actions from this view is that firms choose strategies to generate rents based upon their resources and capabilities in a way that is appropriate with environment opportunities (Grant, 1996; Hunt & Morgan, 1995). The RBV provides a meaningful base from which to develop an understanding of dynamic marketing capabilities. The competitive values of these theories are based on the RBV, and the fundamental propositions of market orientation and dynamic capabilities are associated with the fundamental suggestions of the RBV as a rare, valuable, and inimitable firm-level resource (Fahy, 2000).

The RBV is included in this study of dynamic marketing capabilities in emerging markets because these markets have a social context for exploring how institutional changes create opportunities for examining how competitive advantage changes. Likewise, the notion of the original dynamic capabilities has advanced from the resource-based view (RBV) of the firm since the competitive advantage is a function of not only the firm's operating environment but also its internal dynamic capabilities. Dynamic capabilities have added value to the RBV arguments as they convert what is fundamentally a static view into one that can cover competitive advantages in a dynamic context (Barney, 2001). Dynamic capabilities are “the capacity of an organization to purposefully create, extend or modify its resource base” (Helfat et al., 2007, p. 1) and, over the years, the concept has gained significant attention in the form of a number of studies. The link between the RBV and dynamic capabilities is that the RBV describes what the sources of a sustained advantage are in stable environments, and the dynamic capabilities view provides a description of how firms can sustain resource-based advantages in dynamic environments (Ambrosini et al., 2009).

In addition, because this study contains four international firms, understanding the resource- based view theory is crucial because this theory provides a basis from which to explore how resources can propel domestic firms to become international firms from emerging markets. In addition, since this study aims to explore how dynamic marketing capabilities are developed and maintained in the dynamic environment, understanding the original foundation of the theory could assist the study in forming more solid knowledge.

2.2 Institutional theory

The uniqueness of emerging markets in terms of their institutional contexts naturally calls academic attention to institutions as an angle of observation and theorizing (Hoskisson et al., 2000). Institutional theory focuses on the role of the political, social, and economic structures surrounding firms in shaping their behaviors (North, 1990). While Scott (1995) stated that an institutional environment can be theorized as a set of three domains – regulatory (the legal system and its enforcement), normative (the traditional norms and professionalization) and cultural- cognitive (common social beliefs and values) – these three domains create pressures that may motivate or limit the response of organizations. Previous studies have suggested that firms' dynamic marketing capabilities are driven not only by the firms' resources and capabilities, but also by various isomorphic pressures and the need to meet environmental demands. Hence, firms operating in emerging markets are facing changes influenced by institutional environments.

The institutional environment has been considered as the key aspect in which emerging markets contrast from developed markets (Burgess & Steenkamp, 2006). Since the government and societal influences are stronger in emerging markets, the institutional theory is distinguished in helping to describe the impact of business strategies. Institutions create the rules of the game that shape human connections in societies and organizations are the players surrounded by those formal and informal rules (North, 1990).

Indeed, according to the institutional theory, a country's characteristic may play a role in influencing the objectives, priorities, resources and capabilities of firms. Thus, the institutional theory is an important consideration in this study since emerging markets are natural laboratories that allow this study to explain of theories and the scope to which they are bounded by the institutional context of developed markets (Burgess & Steenkamp, 2006).

Xu and Meyer (2013) focused on the institutional theory as a major foundation for investigating the generalizability of strategy theories in emerging markets. They found that the institutional theory could explain how the conditions for doing business differ greatly in each market. In addition, firms are required to adapt themselves in response to institutional changes. In this regard, scholars have presented

different arguments on how the institutional environment could affect businesses. The effect of the governance structure on strategic decision-making, the efficiency of the market and strategy development, rules of competition and firm strategies, and uncertainty were mentioned as the challenges of institutional context faced by businesses operating in emerging markets (Santangelo & Meyer, 2011). On the other hand, institutions can support the strategy if the firms play more active roles in the institutional environment by exploiting their dynamic marketing capabilities to cope with institutional constraints, and this may lead to their ability to improve their performance (Hoskisson et al., 2000).

Moreover, the institutional theory is not a single integrating theory but rather a broad category of different theoretical arguments as to how and why institutional matters are studied in the development and maintenance of dynamic marketing capabilities (Xu & Meyer, 2013). To be more precise, this theory could account for differences in the development and maintenance of capabilities, especially in emerging markets, because environment conditions, market turbulence, and technological turbulence are factors affecting the capabilities and market orientation of firms. This exploratory study enriches the understanding of institutional impacts on firms' dynamic marketing capabilities in emerging markets (Hoskisson et al., 2000; Oliver, 1997; Sheth, 2011).

2.3 Market orientation

Research papers that study the role of marketing in the generation of dynamic marketing capabilities often refer to market orientation (Fang & Zou, 2009; Wang et al., 2013). Some scholars have even recommended focusing on market orientation to understand how capabilities work from a broader view (Barreto, 2009; Morgan, Slotegraaf, & Vorhies, 2009). Hence, in this section of the literature review, this study seeks first to ground the theoretical foundation regarding the market orientation concept before grinding deeper into how this concept links to dynamic marketing capabilities.

2.3.1 Theoretical background: definition and core components

According to Siguaw, Simpson, and Baker (1998), the term 'market orientation' was being used synonymously with the marketing concept until Kohli and Jaworski (1990) conceptualized market orientation as the implementation of the marketing concept. They viewed market orientation as a translation of marketing philosophy into practices and as a continuous rather than dichotomous either-or construct and mentioned that a measure of market orientation need only access the degree to which an organization is market oriented. Further, the appropriate unit of analysis is the strategic business unit (SBU), rather than the organization as a whole because an organization's SBUs are likely to be market oriented to different degrees (Kohli & Jaworski, 1990).

There are two schools of market orientation, as defined by Kohli and Jaworski (1990) and Narver and Slater (1990). These two schools became widely accepted as the market orientation research increased.

The studies by Kohli and Jaworski (1990), Jaworski and Kohli (1993) help researchers to conceptualize market orientation by distinguishing the activities of intelligence generation, intelligence dissemination, and responsiveness. Drawing from the results of these studies, Grewal and Tansuhaj (2001) conceptualized "market orientation in terms of the activities of information generation, information dissemination, response design, and response implementation. Information generation captures the organizational emphasis on gathering information on current and future customer needs; information dissemination is the degree of sharing of information across departments; and response design (the use of market intelligence in planning) and implementation (execution of the plans) assesses organization-wide responsiveness" (p. 70). Kohli and Jaworski (1990)ground the original definition as follows:

"Market orientation is the organization-wide *generation* of market intelligence pertaining to current and future customer needs, *dissemination* of the intelligence across departments, and organization-wide *responsiveness* to it" (Kohli & Jaworski, 1990, p. 6).

To be more precise, they explained each of the components of market orientation as follows:

Intelligence generation

The starting point of a market orientation is market intelligence, which is a broader concept than customers expressed needs and preferences in that it comprises an analysis of external elements that impact those needs and preferences. Therefore, market intelligence includes an analysis of external factors such as government regulation, technology, rivals, and other environment forces. In this regard, environment-scanning activities are considered to be under market intelligence generation (Kohli & Jaworski, 1990). Effective market intelligence concerns not just the existing needs of the customers, but also their future needs as well and the view that market intelligence comprises foreseen customer needs is important because it often takes years for organizations to develop a new product offering.

The generation of market intelligence relies not just on consumer surveys, but also on a host of complementary mechanisms. Intelligence may be generated through a variety of formal as well as informal means. The mechanisms include meetings and discussions with customers and trade partners, analysis of sales reports, analysis of worldwide customer databases, and formal market research, such as customer attitude surveys and sales responses in test markets. Moreover, while market intelligence is not exclusively the responsibility of the marketing department, it must be disseminated effectively in an organization (Kohli & Jaworski, 1990).

Intelligence dissemination

For an organization to accommodate market needs effectively, market intelligence should be communicated, disseminated, and even circulated to related departments and individuals in the organization. Efficient dissemination of market intelligence is important because it provides a shared basis for concerted actions by different departments. Although formal intelligence dissemination process is obviously important, it should be complemented by informal dissemination, for example, in the informal hall talk, as it is an extremely powerful tool for keeping employees tuned to customers and their needs (Kohli & Jaworski, 1990).

Responsiveness

The last element of a market orientation is responsiveness to market intelligence. An organization can generate intelligence and disseminate it internally. However, unless it responds to market needs, very little is achieved. Responsiveness is

the action taken in response to intelligence that is generated and disseminated (Kohli & Jaworski, 1990).

In their approach, Kohli and Jaworski took a behavioral perspective, agreeing with Deng and Dart (1994, p. 726) definition of MO as "the generation of appropriate market intelligence pertaining to current and future customer needs, and the relative abilities of competitive entities to satisfy these needs; the integration and dissemination of such intelligence across departments; and the coordinated design and execution of the organization's strategic response to market opportunities."

Narver and Slater (1990) developed a valid measure of market orientation and analyzed its effects on a business's profitability. They defined market orientation as "The organization culture that most effectively and efficiently creates the necessary behaviors for the creation of superior value for buyers and, thus, continuous superior performance for business" (p.21). Narver and Slater (1990) and Slater & Narver (1994, 1995, 1996) developed market orientation as a single scale with three underlying behavioral components: customer orientation, competitor orientation, and inter-functional coordination.

Customer orientation

Customer orientation is the adequate understanding of a firm's target buyers in order to be able to generate greater value for them constantly. It entails the seller understanding the buyer's total value chain, not only as it is today, but also as it will change over time subject to internal and market dynamics (Narver & Slater, 1990). Customer orientation is the set of beliefs that puts the customer's interests first, while excluding those of all other stakeholders such as owners, managers, and employees, to develop a long-term profitable enterprise (Deshpandé, Farley, & Webster Jr, 1993).

Competitor orientation

Competitor orientation is the seller understanding the short-term strengths and weaknesses and the long-term capabilities and strategies of both the key current and the key prospective rivals. However, the analysis of principal current and key potential rivals must include the entire set of technologies' ability to satisfy the current and expected needs of the seller's target buyers (Narver & Slater, 1990).

Inter-functional coordination

Inter-functional coordination is the coordinated use of firm resources in generating greater value for target customers. It ties closely to both customer and competitor orientation. Given the multidimensional nature of creating superior value for customers, marketing's interdependencies with other business functions must systematically be incorporated into the business's marketing strategy (Narver & Slater, 1990).

Even though the similarity of both definitions is the effect of market orientation on business performance, the differences have been identified. Kohli and Jaworski (1990) and Jaworski and Kohli (1993) defined market orientation as a cross-functional process of generating and disseminating intelligence as well as employing those intelligences to reflect the dynamics within the organization and the changing environments. This company-wide process is integrated by collaboration and alignment between the top management, all departments, and all supporting systems and is the center for organization achievement. On the other hand, Narver and Slater (1990) argued that market orientation is one of the factors that independently affects business performance and is described regarding customer, competitor and company-wide orientation. This study adopts Kohli and Jaworski (1990) definition of market orientation as a more comprehensive conceptualization of the construct.

2.3.2 Market orientation: empirical studies

Extant literature reviews (Chung, 2011; Gaur, Vasudevan, & Gaur, 2011; Kirca, 2011; Voola & O'Cass, 2010) have estimated the number of publications on topics relating to market orientation at well over 1,000 papers, at least 200 of which have been published in academic (peer-reviewed) journals. Because of the rapid growth of globalization that leads to rapid international market expansions, research from the past two decades has witnessed increasing interest in market orientation. Many scholars have studied the term 'Market Orientation' in various applications, contexts, and institutional settings.

The approaches of both Kohli and Jaworski (1990) and Narver and Slater (1990) have been tested and refined in the field. Most of the study tend to examine the impact of market orientation and the various aspects of business performance. However,

not all the components of market orientation reveal a positive impact on performance. For example, the study by Gaur et al. (2011) found that the competitor orientation did not have a positive impact on manufacturing performance in among the Indian SMEs.

The effect of market orientation on performance also was discussed through international business research. (Leelapanyalert & Ghauri, 2006) confirmed the positive impact of market orientation during the entry process of the MNEs internationalization through the comparative study between IKEA and Marks & Spencer. A number of studies also examined subsidiary performance. The findings drawn from 883 MNE's subsidiaries in Turkey found that market orientation has a direct effect on financial performance and an indirect effect on customer related factors (Kirca, 2011).

Both of market orientation scales of Kohli and Jaworski (1990) and Narver and Slater (1990) have been tested in the different markets. For example, Hooley et al. (2000) found that the scale can be comparatively applied to transition as in advanced markets. However, some different approaches occurred, suggesting that other (Chong, Shang, Richards, & Zhu, 2018) business orientations may overlap with market orientation generating a richer and more complex set or organizational drivers. While Matsuno, Mentzer, and Rentz (2005) believe that market orientation incorporates more than just customers and competitors in the domain of organizational intelligence related activities. Thus, they developed the extended market orientation (EMO) and define the focal EMO construct as ''a set of intelligence generation and dissemination activities and responses pertaining to the market participants (i.e. Competitors, suppliers and buyers) and influencing factors (i.e., social, cultural, regulatory and macroeconomic factors).''

In addition, scholars empirically studied the process of creating market orientation and the factors that influence the creation process (Chung, 2011; Gebhardt et al., 2006; Leelapanyalert & Ghauri, 2006; Rogers, Ghauri, & George, 2005). The influence of networks were discussed differently, for example, Chung (2011) found that business guanxi could influence negatively on performance. While, Leelapanyalert and Ghauri (2006) and Rogers et al. (2005) found networks positively influence the market orientation process.

Table 2.1 summarizes empirical market orientation studies by notifying their focus, methodological approach, field research location, and key findings. These

papers were selected based on the relevancy of the research questions and the representation of different aspects scholars have studied of the concept. They demonstrate how scholars previously focused on different factors of market orientation in diverse market conditions.

Table 2.1 Summary of empirical market orientation studies

Main Focus	Key approach	Country studied	Key findings	Author(s)
Investigating the role of guanxi in the relation between market orientation and business performance (financial and strategic).	Quantitative: Survey method with 96 completed questionnaires from diverse sectors operating in Taiwan.	Taiwan	Business guanxi has both positive and negative impacts on business performance (financial and strategic) and a right match between guanxi and the market orientation components is important.	Chung (2011)
Investigating the link between market orientation and manufacturing performance for small and medium enterprises in India.	Quantitative: Intensive surveys of the CEOs or managers of small and medium-sized enterprises.	India	This study found a positive link between two sub-dimensions of market orientation customer orientation and inter-functional coordination – and manufacturing performance. – Competitor orientation, however, did not have a positive impact on	Gaur et al. (2011)

Table 2.1 Summary of empirical market orientation studies (cont.)

Main Focus	Key approach	Country studied	Key findings	Author(s)
			manufacturing performance. Further, the paper found that a firm's resources and competitive intensity moderate the relationship between some of the sub-dimensions of market orientation and firm performance.	
Understanding how firms successfully create market orientation.	Qualitative: In-depth longitudinal multiform investigation	USA	A theoretical model was developed. The model identified four path-dependent stages of change. The process of creating a market orientation occurs over four distinct stages: (1) initiation (2) reconstitution (3)institutionalization (4) maintenance	Gebhardt et al. (2006)
Testing Narver and Slater's	Mix-Method: In-depth	Hungary, Poland	The scale can be comparatively applied	Hooley et al. (2000)

Table 2.1 Summary of empirical market orientation studies (cont.)

Main Focus	Key approach	Country studied	Key findings	Author(s)
(1990) market orientation scale in the context of the transition markets.	qualitative case studies through a series of personal interviews followed by quantitative survey method.	and Slovenia	to transition as in advanced markets. However, some different approaches occurred, suggesting that other business orientations may overlap with market orientation generating a richer and more complex set or organizational drivers.	
Examining the direct and indirect impact of market orientation on the performance of MNE's subsidiaries.	Quantitative: Questionnaire surveys with managers from 73 MNE subsidiaries.	Turkey	Market orientation has a direct effect on financial performance and an indirect impact through customer retention and customer satisfaction factors.	Kirca (2011)
Assessing the impacts of market orientation on performance and the factors affecting the utilization of	Quantitative: Survey of 168 Korean MNC subsidiaries operating in China and India	China and India	Market orientation performs an important role in foreign subsidiary performance.	Kwon (2010)

Table 2.1 Summary of empirical market orientation studies (cont.)

Main Focus	Key approach	Country studied	Key findings	Author(s)
market orientation by foreign subsidiaries.				
Examining the factors that influence the foreign market entry process for retailing firms and developing a conceptual model to analyze the entry strategies of retail firms investing in emerging markets.	Qualitative: Comparative case study analysis	China and Hong Kong	The firm with a higher level of market orientation (IKEA) was more successful in market performance than the firm with less market orientation (M&S).	Leelapanyalert and Ghauri (2006)
Investigating structural influences of entrepreneurial proclivity and market orientation on business performance.	Quantitative: Survey method	USA	The entrepreneurial proclivity's performance influence is positive when mediated by market orientation but negative or non-significant when not mediated by market orientation.	Matsuno, Mentzer, and Özsomer (2002)

Table 2.1 Summary of empirical market orientation studies (cont.)

Main Focus	Key approach	Country studied	Key findings	Author(s)
Comparing three different scales of market orientation: the scales of Kohli & Jaworski, Narver & Slater, and a newly developed extended market orientation (EMO) scale.	Quantitative	USA	Based on scale reliability, limited unidimensionality and construct domain, no single scale examined here was found satisfactory.	Matsuno et al. (2005)
Examining whether the market orientation–firm performance relationship holds true for retailers in emerging economies, despite environmental differences applied through interviews with top management	Qualitative: A single case study through interviews with open-ended questions, which included the triangulation method.	Hungary and Slovenia	Market orientation and firm performance links are valid for Western retailers in emerging economies. Tesco applied market orientation predominately over the practice of matching with suppliers, top management emphasis on market orientation and risk taking.	Rogers et al. (2005)

Table 2.1 Summary of empirical market orientation studies (cont.)

Main Focus	Key approach	Country studied	Key findings	Author(s)
from Tesco and its subsidiaries and affiliates in Central Europe's emerging markets.				

Table 2.1 confirms the positive impact of market orientation on a firms' performance. Most papers regarding market orientation have tended to focus on this aspect in the past two decades. However, this study focuses on investigating market orientation from the capabilities point of view in order to understand how dynamic marketing capabilities are developed. Market orientation is always concerned with dynamic capabilities and market capabilities since much of market orientation literature has emerged from the resource-based view (RBV) (Foley & Fahy, 2009; Gray & Hooley, 2002). Day (1994) and then later Hunt and Morgan (1995) implied that no firms could create and sustain competitive advantages without executing market orientation. Market orientation delivers greater improvement in a firm's performance when integrated with other internal complementary resources to create capabilities. Therefore, when firms conduct market orientation, they have to rely on their capabilities (Murray, Gao, & Kotabe, 2010). Hence, the following sections of the literature review will focus on exploring what scholars have discussed in terms of dynamic capabilities, marketing capabilities, and dynamic marketing capabilities.

2.4 Dynamic capabilities

The dynamic capabilities view is considered one of the most promising approaches in the strategy area. Uncertainty and dynamism in competitive environments require the systematic renewal of organizations. This view attempts to describe the practices organizations use to accomplish appropriate reconfiguration. Hence, the

dynamic capabilities view is a promising theory, and many theoretical papers have advanced related concepts, definitions, and models while also expressing new challenges to developing the field empirically.

2.4.1 Dynamic capabilities vs. resource-based view: theoretical background

The notion of dynamic capabilities (Eisenhardt & Martin, 2000; Teece et al., 1997) has advanced from the resource-based view (RBV) of the firm (Barney, 1991; Wernerfelt, 1984). The resource-based view associates the characteristics of the firm with the firm's performance. These resources are concurrently valuable, rare, imperfectly imitable and imperfectly substitutable (the VRIN conditions). They are a source of competitive advantage (Barney, 1991, 1995).

Scholars developed the concept of dynamic capabilities derived from a concern that the RBV seemed to apply mainly to firms in static environments, and RBV is often not sufficient to support a significant competitive advantage (Ambrosini et al., 2009; Teece et al., 1997; Wang & Ahmed, 2007). Teece et al. (1997) argued how the dynamic capability view could overcome the limitations of the RBV. Likewise, the previous study stated that the RBV explains what the sources of sustained advantage are in stable environments, while the dynamic capabilities view offers an explanation as to how firms can sustain resource-based advantages in dynamic environments (Ambrosini et al., 2009, p. 13) . However, some scholars in the field of strategic management have argued that dynamic capabilities are at play in both stable and dynamic environments and that they share similar assumptions to the RBV, and this can be considered as an extension of RBV thinking (Eisenhardt & Martin, 2000; Grant, 1996; Helfat & Winter, 2011).

2.4.2 Definitions of dynamic capabilities

During over twenty years of dynamic capabilities studies since the introduction of the concept by Teece and Pisano (1994), the problems of conceptualization and operationalization have remained important issues as several questions surrounding dynamic capabilities' definitions remain ambivalent. Since Teece et al. (1997) provided the original definition as "the firm's ability to integrate, build, and

reconfigure internal and external competences to address rapidly changing environments" (p. 516), many scholars have further extended from this original definition as can be seen below.

Dynamic capabilities have been elaborated as a process of integrating, reconfiguring, gaining, and releasing resources in response to the changing environments as well as creating changes in the market (Eisenhardt & Martin, 2000; Teece et al., 1997). Wang and Ahmed (2007) later extended the definition of dynamic capabilities to include sustaining a firm's competitive advantage, while other scholars claimed that dynamic capabilities are part of an ongoing learning process that focuses on the ability to extend objectively and modify its operating routines or create ordinary capabilities (Helfat et al., 2007; Winter, 2003; Zollo & Winter, 2002).

Based on the definitions provided by various scholars, this dissertation defines dynamic capabilities as "an ongoing learning process of sensing, learning , integrating, and coordinating the resources and intelligence to enhance organizational ability to stay competitive within the changing contexts which in turn achieve business performance" (Eisenhardt & Martin, 2000; Helfat et al., 2007; Teece et al., 1997; Wang & Ahmed, 2007; Winter, 2003; Zollo & Winter, 2002).

2.4.3 Dynamic capabilities: empirical studies

Much is known about the importance of dynamic capabilities. To date, literature reviews approximate the number of publications on topics relating to dynamic capabilities at more than one thousand, with at least a hundred of them having been published in academic (peer-review) journals. Papers in the field of strategic management have studied dynamic capabilities in terms of different issues and contexts (Helfat, 1997; Lawson & Samson, 2011). The studies of dynamic capabilities can be categorized into three main aspects: the process, antecedents, and consequences.

Regarding the process of dynamic capabilities, there are diverse arguments on conceptualizing the specific processes. Capron and Mitchell (2009) and Jarratt (2008) stressed inter-organizational collaboration and capability acquisition. Rindova and Kotha (2001) focused on organizational restructuring. Newbert (2005) and Wilson and Daniel (2007) emphasized business model adaptation. However, most studies

conceptualize dynamic capabilities through a knowledge integration process (Hodgkinson & Healey, 2011; Macher & Mowery, 2009).

A number of factors are mentioned as the antecedents of dynamic capabilities. They can be classified into two aspects: internal and external factors. Regarding the internal factors, scholars have discussed a variety of factors as the antecedents of dynamic capabilities. Organizational structure, resource combination, and employee capabilities are grouped into the structural aspects of dynamic capabilities antecedents while orientations, organizational capabilities, and organizational practices are stated as the social aspects (Eisenhardt & Martin, 2000; Wooten & Crane, 2004; Zollo & Winter, 2002). On the subject of external antecedents, environments and networks play a significant role, as they are factors influencing the firms to develop their dynamic capabilities in response to the changing institutional environment (Delmas & Toffel, 2004; Kale & Singh, 2007).

However, the majority of dynamic capabilities studies have focused on the consequence point of view by exploring the impact of dynamic capabilities on business performance. Recent empirical studies have demonstrated a positive relationship between dynamic capabilities and organizational performance through a variety of means and mechanisms (O. R. Malik & M. Kotabe, 2009; Rice et al., 2015; Teece, 2007).

In addition, there are a number of dynamic capabilities studies providing a better understanding of how scholars extend the development of the dynamic marketing capabilities concept. Micro foundations of dynamic capabilities and the transformations have been discussed into different views. Dixon et al. (2014) identified adaptive dynamic capabilities and innovation dynamic capabilities as a crucial capability for organization transformation. While Rice et al. (2015) stated that, the transformation mediate the relationship between the capability and performance. Whereas, Weerawardena, Mort, and Liesch (2017) studied the entrepreneurial founders of born global firms how they acquire, transform, and deploy resources for the early internationalization. They found that the new firm's early entry into international markets is executed through three transitionary phases. Founders transform the operational capabilities they endow to the firm, develop dynamic capabilities for use in

opportunity exploitation, and deploy these to develop knowledge intensive products that they take to chosen niche markets.

Table 2.2 summarizes empirical dynamic capabilities studies by notifying their focus, methodological approach, research field location, and key findings. These papers were selected based on the relevancy of the research questions and the representation of different aspects scholars have studied of the concept. They demonstrate how scholars previously focused on dynamic capabilities with different factors in diverse market conditions.

Table 2.2 Summary of empirical dynamic capabilities studies

Main Focus	Key approach	Country studied	Key findings	Authors
Examining the micro-foundations of dynamic capabilities that sustain competitive advantage in a highly unstable environment in a transition market.	Qualitative: In-depth single case study.	Russia	The rich qualitative data demonstrated two different types of dynamic capabilities that are crucial for organizational transformation: adaptive dynamic capabilities, which relate to routines of resource exploitation and deployment, and innovation dynamic capabilities, which relate to the creation of completely new capabilities via exploration and path-creation processes.	Dixon et al. (2014)

Table 2.2 Summary of empirical dynamic capabilities studies (cont.)

Main Focus	Key approach	Country studied	Key findings	Authors
Utilizing survey data from a Taiwan high-tech industry to test an integrative model of dynamic capability.	Quantitative: Survey data from a Taiwan high-tech industry.	Taiwan	The results of this study demonstrated that although organizational learning culture significantly affected performance, its influence was mediated by dynamic capability.	Hung, Yang, Lien, McLean, and Kuo (2010)
Testing the relationship between entrepreneurial orientation and dynamic capabilities, and identifying paths to develop dynamic capabilities and the components of these capabilities.	Mix-Method: Quantitative factor analysis method followed by in-depth qualitative interviews.	China	Dimensions of entrepreneurial orientation have a considerably positive impact on dynamic capabilities to different extents, while organizational learning, which has a significantly positive effect on dynamic capabilities, plays a partial mediating role between the two.	Jiao, Wei and Cui (2010)
Focusing on the firm-specific advantage (FSA) issue for the firms from developed markets and analyzing	Quantitative: Analysis using SEM with a survey of 100 ICT firms.	Developed markets	Dynamic capability and firm-specific intangible assets positively and significantly influence	Khalid and Larimo (2012)

Table 2.2 Summary of empirical dynamic capabilities studies (cont.)

Main Focus	Key approach	Country studied	Key findings	Authors
what specific kind of FSA contributes to firm performance at the survival and the growth stages of international expansion.			initial survival and growth following the survival. It also demonstrated that specific intangible assets perform an important role in the initial survival and in the growth following it.	
Developing a model of the dynamic capability development mechanisms in emerging market manufacturing firms (EMF) and recognizing three dynamic capability development mechanisms: organizational learning, reverse engineering and manufacturing flexibility.	Quantitative: Survey instruments from 115 firms (India = 65 and Pakistan = 50).	India and Pakistan	Organizational learning, reverse engineering and manufacturing flexibility had significant impacts on emerging market firm performance.	Malik and Kotabe (2009)
Testing model integrating dynamic organizational capabilities, market	Quantitative: Longitudinal design with final analysis of	Australia	Performance is driven by the successful deployment of dynamic capabilities,	Rice, Liao, Galvin and Martin

Table 2.2 Summary of empirical dynamic capabilities studies (cont.)

Main Focus	Key approach	Country studied	Key findings	Authors
transformation arrangements, and firm performance.	a subsample of 444 Australian manufacturing firms.		and purposeful market transformation strategies mediate such performance.	(2013)
Suggesting that dynamic capabilities can give a firm a competitive advantage, but this impact is contingent on the level of dynamism of the firm's external environment.	Mix-method: Longitudinal design comprising three sequential stages with the key informant data from 279 firms. The study population comprised firms in the chemicals, machinery, and motor vehicle industries.	Germany	Dynamic capabilities are more strongly related to competitive advantage in moderately dynamic than in stable or highly dynamic environments.	Schilke (2014)
The paper sets out to understand how entrepreneurial founders of born global firms acquire, transform and deploy new knowledge resources for early internationalization.	Qualitative Multiple case studies	Australia	The new firm's early entry into international markets is executed through three transitionary phases.	Weerawardena et al. (2017)

2.5 Marketing capabilities

2.5.1 Definitions and component factors of marketing capabilities

From the classic view of Day (1994) , marketing capability represents a firm's ability to understand and forecast customer needs better than its competitors and to link its offerings effectively to its customers (market sensing and customer-linking capabilities). Subsequently, a theoretical extension was added one decade later when Vorhies and Morgan (2005) identified eight distinct marketing capabilities that are viewed as contributing to business performance, and these marketing capabilities are suitable for benchmarking. They are stated below.

Product development

The processes by which firms develop and manage product and service offerings (Dutta, Narasimhan, & Rajiv, 1999)

Pricing

The ability to extract the optimal revenue from the firm's customers (Dutta, Zbaracki, & Bergen, 2003)

Channel management

The firm's ability to establish and maintain channels of distribution that effectively and efficiently deliver value to end-user customers (Weitz & Jap, 1995)

Marketing communications

The firm's ability to manage customer value perceptions (McKee, Conant, Varadarajan, & Mokwa, 1992).

Selling

Selling, orders (Shapiro, Slywotzky, & Doyle, 1998)

Market information management

The processes by which firms learn about their markets and use market knowledge (Day, 1994; Menon & Varadarajan, 1992)

Marketing planning

The firm's ability to conceive marketing strategies that optimize the match between the firm's resources and its marketplace (Morgan, Zou, Vorhies, & Katsikeas, 2003).

Marketing implementation

The processes by which intended marketing strategy is transformed into realized resource deployments (Noble & Mokwa, 1999).

More recently, three adaptive marketing capabilities, namely vigilant marketing learning, adaptive market experimentation, and open marketing, were added to further extend dynamic capabilities since the inside-out point of the dynamic capabilities has the limited ability to anticipate in the chaotic environment today (G. S. Day, 2011) . These three adaptive marketing capabilities have been applied in many recent studies (Chuang, Morgan, & Robson, 2015; Labrecque, vor dem Esche, Mathwick, Novak, & Hofacker, 2013).

Vigilant marketing learning

According to G. S. Day (2011), this learning requires (1) a willingness to be immersed in the lives of current, prospective, and past customers, and to observe how they process data and respond to the social networking and social media space, without a preconceived point of view; (2) an open-minded approach to latent needs; and (3) an ability to sense and act on weak signals from the periphery. For example, many companies are reaching the point at which all their trend data, market data, and applicable studies can be found with a simple 'Google' search. Timely awareness into changes in purchasing behaviors or niche segments are extracted with intense analysis. The intelligent application of such technology tools ready the organization to act ahead of its rivals.

Adaptive market experimentation

The adaptability of all learning processes is achieved by market experience. However, three conditions should be fulfilled: (1) nurture an experimental mind-set; (2) codify and share insights and successful practices across the organization; and (3) in the spirit of increasing the variety of approaches, systemically tap a wider array of peer companies, precursors, and network partners to learn from their experience. For example, trial and error learning that relies on experimentation is quickly undermined if there is a "fear-of-failure" syndrome. It takes exhaustive leadership to create a more open environment in which learning from failures is possible and experimentation is a norm (G. S. Day, 2011).

Open marketing

The linked nature of open marketing indicated by G. S. Day (2011) can be seen in the Figure 2.1 portrayal of some of the partners that need to be orchestrated in the new media environment. This diagram indicates that "the focal marketing group is lodged within the marketing function of the firm, controls the budget, and is accountable for the results. Although this 'ball of yarn' schematic is dauntingly complex, the effective management of the network requires a new suite of marketing capabilities that will be difficult to learn and more difficult to copy" (G. S. Day, 2011, p. 190). Through a web of partners and collaborators, an open network provides access to a deeper set of resources and specialized skill sets than a closed model.

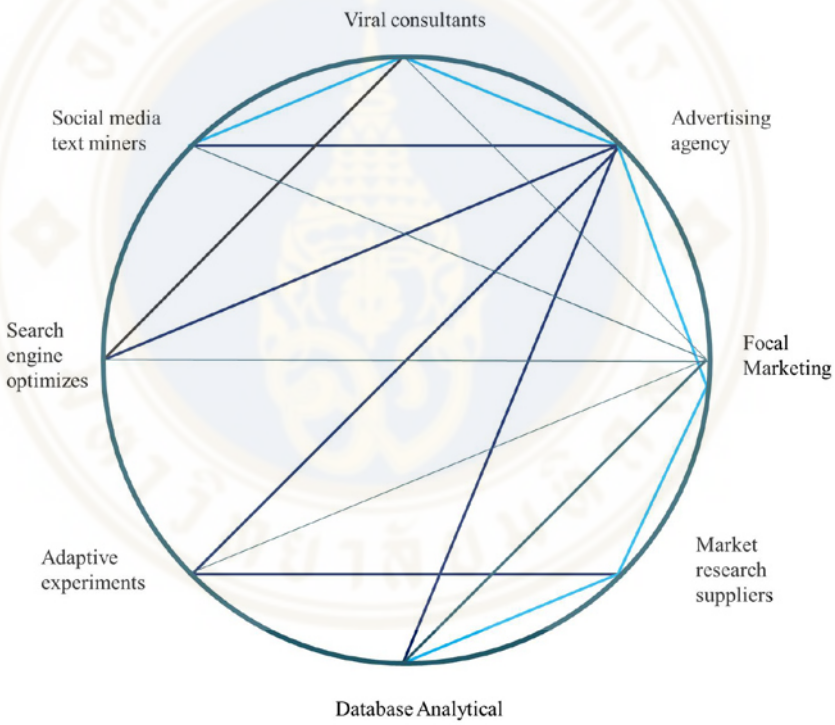

Figure 2.1 Marketing in an open network, based on the model

Source: G. S. Day (2011)

Scholars argue that the marketing discipline should move away from its rather restrictive focus on customers toward a view of marketing that acknowledges the interrelatedness of stakeholders. For example, Hillebrand, Driessen, and Koll (2015) presented stakeholder marketing drawn from G. S. Day (2011) as a revised perspective

on marketing that views stakeholder networks as continuous instead of discrete multiplicities. This revised perspective offers a better understanding of stakeholder networks. In addition, the paper conceptualized the capabilities required by firms for dealing with each of these three transitions: systems thinking, paradoxical thinking, and democratic thinking.

2.5.2 Application of dynamic capabilities in the marketing field: theoretical background

Since the term 'dynamic capabilities' was introduced in 1994, scholars in the field of marketing have employed the concept in parallel with marketing capabilities. So far, more than one hundred studies, including those published in journals, conference papers, and Ph.D. dissertations, have integrated dynamic capabilities and marketing, together known as 'marketing capabilities', demonstrating the usefulness of understanding how academics and practitioners adapt dynamic capabilities in the marketing field.

The growth of literature in this field between 1990 and 1999 was relatively low. However, Day (1994) examined the role of capabilities in creating a market-oriented organization and proposed that organizations can become more market-oriented by identifying and building the special capabilities that set market-driven organization apart. It was claimed that "capabilities are complex bundles of skills and collective learning, exercised through organizational processes that ensure superior coordination of functional activities" (p. 38). Moreover, he offered two distinctive features of market-driven organizations, namely market sensing and customer linking capabilities.

Later, Simonin (1999) noted that a significant part of market knowledge is difficult to classify because of its socially complex nature, suggesting that market knowledge is disseminated to various groups and people. The norms of experiential learning and the social complexity of market knowledge suggest that, to a great degree, marketing capability is grounded on knowledge that is tacitly held and tough for competitors to copy (imperfect imitability). Even when market knowledge is codified and can be conveyed, as in customer satisfaction measurement systems, the knowledge is carefully held, leading to imperfect mobility (difficulty in obtaining this capability

through a market system). Overall, marketing capability is likely to be protected from competitive imitation and acquisition because of the disseminated, tacit, and cloistered nature of the underlying knowledge.

Marketing capability is based on market knowledge about customer needs and experience in forecasting and responding to these needs (Day, 1994). Market knowledge usually develops over time through learning and experimentation. Based on the assumption that marketing functions are one of the most knowledge-focused parts of a firm, Grant (1996) developed a knowledge-based theory of organization capability and explored the potential of firms for establishing a competitive advantage in dynamic market settings and found that knowledge is integrated within firms to create capability. Hence, the theory of organization capability has implications for competitive advantages in hyper-competitive environments.

A significant body of research on marketing capabilities emerged at the beginning of the 21st century. Reporting the findings of their study on the roles of market-focused learning capability and marketing capability in an innovation-based competitive strategy for achieving a sustainable competitive advantage (SCA), Weerawardena and O'Cass (2004) indicated that entrepreneurship is a major factor, and while market-focused learning capability leads to higher degrees of innovation, it is marketing capability that enables a sustainable competitive advantage.

Benchmarking, a well-known learning mechanism, is suggested as an appropriate tool for identifying and improving the marketing capabilities of a firm (Vorhies & Morgan, 2005). More specifically, benchmarking has been put forward as a useful tool for enhancing market-based learning (Teece et al., 1997) and facilitating the mediating role of marketing capabilities (Akdeniz, Gonzalez-Padron, & Calantone, 2010). Therefore, it can help to create successful market-driven firms (Day, 1994; Slater & Narver, 1995).

2.5.3 Empirical studies of marketing capabilities

Marketing scholars have employed the marketing capabilities framework to unlock the questions that lie behind competitive advantages in competitive markets. There has been a significant increase in scholarly research focusing on marketing capabilities as an important aspect of marketing theory-based explanations of a firm's

performance. The role of marketing capabilities as a source of a sustainable competitive advantage to leverage firms' assets and achieve superior performance has previously been discussed in the marketing strategy field (Fang & Zou, 2009; Krasnikov & Jayachandran, 2008). While there is growing evidence concerning market orientation possession and firm performance, we have little understanding of how this market-based asset is deployed to achieve a competitive advantage (Vorhies, Orr, & Bush, 2010).

The extension of the dynamic capabilities theory has been discussed in previous literature (Morgan, Feng, & Whitler, 2018). It was indicated that market orientation and marketing capabilities are complementary assets that contribute to superior firm performance. In addition, it was claimed that, in general, marketing capability has a stronger impact on a firm's performance than research and development and operations capabilities (Krasnikov & Jayachandran, 2008). Nevertheless, some scholars focused on identifying the new marketing capabilities (Evers, Andersson, & Hannibal, 2012; Mariadoss, Tansuhaj, & Mouri, 2011; Wilson & Daniel, 2007).

Malik, Sinha, and Blumenfeld (2012), Vorhies, Morgan, and Autry (2009) identified that market-based learning capabilities are the effective knowledge transfer and diffusion and the development of market-based organizational learning capabilities, which are driven by the strength of a firm's quality management capabilities. However, in another study during the same period, Matanda and Ewing (2012) identified global brand management capabilities and regional marketing capabilities as the international marketing capabilities.

Table 2.3 summarizes a list of recent empirical marketing capabilities studies that are related to this research by notifying their main focus, methodological approach, field research location, and key findings. These papers were selected based on the relevancy of the research questions and the representation of different aspects scholars have studied of the concept.

Table 2.3 Summary of empirical marketing capabilities studies

Main Focus	Key approach	Country studied	Key findings	Authors
Developing a conceptualization of	Quantitative: Survey method	China	The study provided	Fang and Zou (2009)

Table 2.3 Summary of empirical marketing capabilities studies (cont.)

Main Focus	Key approach	Country studied	Key findings	Authors
marketing dynamic capabilities (MDCs), investigating their development in international joint ventures (IJVs) and exploring their effect on IJVs' performance.	and objective performance data from published secondary sources.		empirical support for the effect of MDCs on IJVs' performance.	
Investigating the challenges that Chinese firms face in their efforts to develop marketing capabilities in the European market.	Qualitative: Interview method	Chinese MNEs operating in Europe	Limited motivation, few opportunities, and restricted ability constrain emerging market firms from implementing a shift from a low-cost model to a more balanced and broader marketing-driven approach in foreign markets.	Kaufmann and Roesch (2012)
Discussing top management's social capital as a key driver of marketing capabilities.	Quantitative: Survey method	China, Germany, Hong Kong and	Trust and solidarity embedded within a social system are the	Kemper, Engelen, and Brettel (2011)

Table 2.3 Summary of empirical marketing capabilities studies (cont.)

Main Focus	Key approach	Country studied	Key findings	Authors
		the United States	key components of managerial social capital and strong drivers of marketing capabilities.	
Examining the influence of marketing capability on firm performance, compared with that of other capabilities, such as research and development and operations.	Quantitative: The authors conducted a meta-analysis of the firm capability–performance relationship using a mixed-effects model.	The paper does not mention the country studied.	The results show that, in general, marketing capability has a stronger impact on firm performance than research and development and operations capabilities.	Krasnikov and Jayachandran (2008)
Investigating how market sensing, brand management, and customer relationship management (CRM) capabilities determine firms' revenue growth and margin growth – the two components of profit growth.	Quantitative: Survey method	USA	The results reveal that these marketing capabilities have direct and complementary effects on both revenue and margin growth rates.	Morgan, Slotegraaf et al. (2009)

Table 2.3 Summary of empirical marketing capabilities studies (cont.)

Main Focus	Key approach	Country studied	Key findings	Authors
Examining both the possession of a market orientation and the marketing capabilities through which resources are deployed into the market as drivers of firm performance in a cross-industry sample.	Quantitative:Survey method	USA	The findings indicate that market orientation and marketing capabilities are complementary assets that contribute to superior firm performance. We also find that market orientation has a direct effect on firms' return on assets (ROA), and that marketing capabilities directly affect both ROA and perceived firm performance.	Morgan,Vorhies, et al. (2009)
Understanding how critical firm-level marketing capabilities enable the realization of strategy.	Quantitative: Survey method and objective performance data from published secondary sources.	USA	Architectural and specialized marketing capabilities and their integration, positively mediate the product-market strategy	Vorhies et al. (2009)

Table 2.3 Summary of empirical marketing capabilities studies (cont.)

Main Focus	Key approach	Country studied	Key findings	Authors
			and derived business unit performance relationship.	
Examining how existing customer-focused marketing capabilities may be improved and new customer-focused marketing capabilities may be created via marketing exploitation and exploration capabilities.	Quantitative: Survey method and objective performance data from published secondary sources.	USA	The findings demonstrate how improving the two customer-focused marketing capabilities, namely brand management and customer relationship management, impacts objective financial performance.	Vorhies et al. (2010)
Examining whether the relationship between a firm's marketing capabilities and its performance is systematically moderated by the institutional context in which it competes.	Quantitative: Published secondary sources.	-	Marketing capabilities positively influence firm performance, and the impact is differentially conditional on the market's economic development,	Wu (2013)

Table 2.3 Summary of empirical marketing capabilities studies (cont.)

Main Focus	Key approach	Country studied	Key findings	Authors
			legislative institutions, and social attitudes.	

2.6 Dynamic marketing capabilities

As the new context evolves in emerging markets, businesses encounter new challenges for which they have to develop new solutions, thus creating new capabilities (Xu & Meyer, 2012). The recently coined term 'dynamic marketing capabilities' is one of the promising concepts that could address the effect of the ever-changing business environment.

2.6.1 Dynamic marketing capabilities: theoretical background

Despite the research in this field, there still remains debate over the definition and components of dynamic marketing capabilities. Originally, Bruni and Verona (2009) defined dynamic marketing capabilities as "human capital, social capital and the cognition of managers involved in the creation, use and integration of market knowledge and marketing resources in order to match and create market and technological change" (p. 103). Later Barrales-Molina et al. (2014) provided their own definition of dynamic marketing capabilities as "the use of market knowledge to renew the organization as a whole" (p.402). In addition, previous literature stated that dynamic marketing capabilities relate to the broader set of dynamic managerial capabilities that the firms' managers use to build, integrate and reconfigure the capability case over time (Adner & Helfat, 2003). These capabilities aim at developing, releasing, and integrating market knowledge inside the organization as well as utilizing marketing resources to match and create market and technological changes outside the organization (Bruni & Verona, 2009).

The study of Konwar et al. (2017), Murray et al. (2010), and Kamboj and Rahman (2015) proposed an additional view regarding the definition of dynamic

marketing capabilities. These papers defined this capability as the effectiveness of a package of interrelated routines that support the ability of firms to engage in specific marketing activities and to respond to changes in market conditions.

What differentiates dynamic capabilities from dynamic marketing capabilities is the market knowledge to renew the organization as a whole because the firms are required to identify two main components, namely absorptive capacity and knowledge management (Barrales-Molina et al., 2014). These components are linked to the concept of knowledge-based marketing of (Kohlbacher, 2007, 2013), which is a key capability of the firm to sustain a competitive advantage. Kohlbacher (2013) defined knowledge-based marketing as "a knowledge management approach to marketing that focuses both on the exploitation (sharing and application) and exploration (creation) as well as co-creation of marketing knowledge from contexts, relations, and interactions in order to gain and sustain competitive advantages." The similarity between the knowledge-based marketing concept and dynamic marketing capabilities is that they focus on using the market knowledge to transform the organization by involving all stakeholders. However, Barrales-Molina et al. (2014) placed greater emphasis on the role of the marketing function while Kohlbacher (2013) stressed that knowledge-based marketing involves stakeholders such as customers, competitors, suppliers, partners and so on, and is influenced by certain factors, such as national and corporate culture, the tacitness of knowledge and the level of trust.

In summary, market knowledge is the key component of dynamic marketing capabilities that helps a firm to adapt its organizational resources and dynamic marketing capabilities to renew the organization as a whole (Barrales-Molina et al., 2014; Bruni & Verona, 2009).

Dynamic marketing capabilities' enablers

Beside the conventional marketing capabilities study of Day (1994), Vorhies and Morgan (2005) identified eight distinct marketing capabilities that are viewed as contributing enablers to firm performance and that are suitable for benchmarking activities. This set of marketing capabilities consists of product development, pricing, channel management, marketing communications, selling, marketing planning, market information management, and marketing implementation. Consistently, the integrative framework of knowledge-based marketing proposed by

Kohlbacher (2007) suggested a similar set of marketing activities as a marketing process consisting of supply chain management, market research, customer relationship management, and product development management. However, Barrales-Molina et al. (2014) viewed the set of marketing capabilities and the marketing processes in the knowledge-based marketing framework as enablers of the underlying processes that create the dynamic capabilities because they may lead to the generation of dynamic marketing capabilities and dynamic capabilities, but they do not represent the features of dynamic capabilities (Kohlbacher, 2007; Vorhies & Morgan, 2005).

How to distinguish dynamic capabilities from dynamic marketing capabilities

Barrales-Molina et al. (2014) established criteria for identifying dynamic marketing capabilities in the literature, using theoretical arguments about which there is consensus in the dynamic capabilities view in order to avoid problems of tautology. They stated that the origin of and basis for distinguishing between dynamic capabilities and dynamic marketing capabilities is market knowledge, as generating this capability involves absorbing and sharing this market knowledge.

Dynamic marketing capabilities are frequently defined as an extension of dynamic capabilities (Bruni & Verona, 2009; Easterby-Smith & Prieto, 2008), as well as of "dynamic managerial capabilities" (Adner & Helfat, 2003; Kor & Mesko, 2013). Two lines of argument are therefore required to describe the connection between dynamic capabilities and dynamic marketing capabilities, while also identifying the specific features of dynamic marketing capabilities. First, capabilities must be understood as specific dynamic capabilities, contributing to or activating the regeneration of an organization's base of resource and capabilities. Second, it must be identified through particular features that allow us to categorize them as a specific case of dynamic capabilities, while fulfilling all aspects of the role attributed to other dynamic capabilities in the firm. Drawing on previous research, Table 2.4 presents two lists of questions to guide this twofold argumentation. The prospect capability can be considered as dynamic marketing capabilities if it can answer "yes" to both sets of questions (Barrales-Molina et al., 2014).

Table 2.4 Questions to identify a prospective dynamic capability

(1) Can it be considered a DC?	(2) Can it be considered a DMC?
• Is it developed in the organization? (Ambrosini & Bowman, 2009; Makadok, 2001) • Is it a set of processes embedded in the firm? (Eisenhardt & Martin, 2000) • Is it a path-dependent phenomenon? (Teece et al., 1997; Zollo & Winter, 2002) • Is it intentional and deliberate? (Helfat et al., 2007; Zollo & Winter, 2002) • Is it a process that impacts other resources, capabilities or routines? (Ambrosini & Bowman, 2009; Winter, 2003; Zollo & Winter, 2002) • Is it a stable and repeated process rather than a spontaneous process? (Ambrosini & Bowman, 2009; Winter, 2003; Zahra, Sapienza, & Davidsson, 2006; Zollo & Winter, 2002) • Is it the result of managers' commitment? (Adner & Helfat, 2003) • Can it be measured through four essential underlying processes (sensing, learning, integrating and coordinating)? (Pavlou & El Sawy, 2011; Protogerou, Caloghirou, & Lioukas, 2011; Teece, 2007)	• Does the marketing area have a strong influence on this construct? (Bruni & Verona, 2009; Easterby-Smith, Lyles, & Peteraf, 2009; Fang & Zou, 2009) • Is market knowledge a fundamental 'raw material' in developing this construct? (Bruni & Verona, 2009; R. Griffith, Huergo, Mairesse, & Peters, 2006; Menguc & Auh, 2006) • Is this construct a tool to absorb market knowledge? (Bruni & Verona, 2009; Marsh & Stock, 2003; Martelo Landroguez, Barroso Castro, & Cepeda-Carrión, 2011; Menguc & Barker, 2005) • Is this construct a tool to disseminate market knowledge within the organization? (Bruni & Verona, 2009; Fang & Zou, 2009; Ma & Todorovic, 2011; Marsh & Stock, 2003) • Does this construct imply inter-functional coordination within the organization? (Bruni & Verona, 2009; Fang & Zou, 2009; Marsh & Stock, 2003)

Source: Barrales-Molina et al. (2014)

Barrales-Molina et al. (2014) stated pro-active market orientation and customer relationship management as an example of dynamic marketing capabilities. Later, Kachouie et al. (2018) further added 'value innovation' to the list of dynamic marketing capabilities as it involves creating differentiation in the marketplace (Kim & Mauborgne, 1999). In this regard, businesses apply strategies to implement the new approaches, which vary from industry norms (Berghman, Matthyssens, & Vandenbempt, 2012). On the one hand, value innovation drives a change in a firm's business model to benefit from the new business model, organizational resources and capabilities should be readjusted and reconfigured. Therefore, value innovation results in the reconfiguration of resources and capabilities. On the other hand, it depends on the organization's knowledge about customers and competitors, and customer value plays a critical role in this .Thus, value innovation is a real dynamic marketing capability (Kachouie et al., 2018).

2.6.2 Empirical studies of dynamic marketing capabilities

As the dynamic marketing capabilities concept is an emerging body of knowledge in the field, empirical research is still rare. However, scholars have attempted to explore this concept in a few aspects. Kachouie et al. (2018) stated that dynamic marketing capabilities are critical in the reconfiguration of operational marketing capabilities, which in turn leads to enhanced organizational performance. While Konwar et al. (2017) confirmed the significant importance of dynamic marketing capabilities in assisting foreign-owned affiliates to gain better sales performance. The results confirm that effective deployment of DMC leads to better sales performance. Roach, Hackett, et al. (2018) exploring market orientation and working synergistically with other organizational capabilities and found that market orientation interacts with these integrated capabilities to form a dynamic marketing capability that enhances the organization's innovativeness.

The topic about factors influencing the development of dynamic marketing capabilities was debated among different studies. Evers et al. (2012) revealed that different stakeholder groups play a critical role in influencing the learning processes of new international ventures and determining the types of dynamic marketing capabilities (incremental, renewing and regenerative) that are needed to regulate and meet foreign

customers' demands. However, Wang et al. (2013) stated that market orientation and information technology support for customer relationship management are positively factors influencing dynamic marketing capabilities.

Table 2.5 summarizes a list of recent empirical dynamic marketing capabilities studies that are related to this research by notifying their focus, methodological approach, field research location, and key findings. These papers were selected based on the relevancy of the research questions and the representation of different aspects scholars have studied of the concept.

Table 2.5 Dynamic marketing capabilities empirical studies

Main Focus	Key approach	Country studied	Key findings	Author(s)
DMCs indirect relationship to performance.	Quantitative A questionnaire was developed and data were collected from 270 senior executives.	Australia	Dynamic marketing capabilities are critical in the reconfiguration of operational marketing capabilities.	Kachouie et al. (2018)
Examining the role of dynamic marketing capabilities, foreign ownership modes and sub-national locations on the performance of foreign-owned affiliates in developing economies.	Quantitative Panel data regression approach based on a sample of 254 FOAs.	India	The effective deployment of DMC leads to better sales performance.	Konwar et al. (2017)
Exploring market orientation and	Quantitative survey with	Canada	Market orientation interacts with these	Roach, Jones and

Table 2.5 Dynamic marketing capabilities empirical studies (cont.)

Main Focus	Key approach	Country studied	Key findings	Author(s)
working synergistically with other organizational capabilities.	625 respondents		integrated capabilities to form a dynamic marketing capability that enhances the organization's innovativeness.	Ryman (2018)
Understanding the impact of marketing capabilities and performance through the stakeholder view.	Qualitative Multiple case studies	Ireland, Sweden, and Denmark	Different stakeholder groups play a critical role in influencing the learning processes of new international ventures and determining the types of dynamic marketing capabilities.	Evers et al. (2012)
Developing the primary measurement instrument for dynamic marketing capabilities	Quantitative Survey with 149 respondents	Taiwan	Market orientation and information technology support for customer relationship management are positively related to dynamic marketing capabilities.	Wang et al. (2013)

Overall, after a review of extant dynamic marketing capabilities, this study found that the definition of dynamic marketing capabilities remains broad and unclear. Previous literature also focused on conceptualizing rather than exploring the empirical results to explain the concept. Thus, this study aims to fill the gaps in the field by

focusing on how these capabilities are developed and maintained as well as presenting a definition of dynamic marketing capabilities from the emerging markets perspective.

2.7 The association between market orientation, dynamic capabilities, marketing capabilities and dynamic marketing capabilities as drawn from literature

The rapidly changing environments in emerging markets encourage firms to generate strategic capabilities in order to understand the market and gain competitive advantages. These environments have been shown to be related to the development of a strategic orientation that depends on strong marketing skills, and hence, firms are required to create value-creating capabilities in response to the rapidly changing environments (Slater & Narver, 1998; Vorhies, 1998). More specifically, when environments are turbulent, managers will have a greater need for market knowledge (Menon & Varadarajan, 1992).

There is a close relationship between dynamic capabilities and market orientation, and under specific conditions, market orientation performs as a dynamic capability (Barrales-Molina et al., 2014; Menguc & Auh, 2006). Market orientation supports capability building and reconfiguration in organizations (Atuahene-Gima, 2005; Day, 1994). In most firms, market intelligence gathering is a crucial source of the environmental information that managers need (Kohli & Jaworski, 1990; Menon & Varadarajan, 1992). However, for the information to be beneficial in the decision-making process, it must be disseminated to the appropriate persons and groups within the firm, and these individuals and groups must act on the information. Gradually, the firm's employees will routinize these processes by creatively applying their knowledge and skills to the problems and opportunities the environment presents. Over time, these repetitive applications of knowledge and expertise to the problems and opportunities presented by the environment will develop into capabilities (Grant, 1996). Therefore, it seems that the development of dynamic capabilities and marketing capabilities will be a solid managerial mechanism for dealing with the difficulties and opportunities shaped by a rapid changing environment (Vorhies, 1998).

Looking from the perspective of the resource-based view, competitive advantage through market orientation depends on capabilities that are difficult to duplicate and involves the principle of the resource-based view of the firm (Foley & Fahy, 2009). When we look at market orientation through the capabilities lens, we will see that capabilities are formed by an understanding of latent market needs. Then these capabilities that arise from a market orientation empower the firm to identify and respond to opportunities in its markets. Hence, a market orientation is difficult for competitors to perceive and understand, much less to imitate, which therefore results in the creation of a competitive advantage (Akdeniz et al., 2010).

Firms can create valuable knowledge and information from market-oriented activities. They have to depend on their capabilities to develop, combine and convert their resources into value offerings for their customers in order to increase their performance. Market orientation acts as an impetus that influences a firm's development of its capabilities development and the creation of a competitive advantage, which consequently affect its performance. Thus far, market orientation itself may not be sufficient to facilitate the achievement of a desirable performance for a firm without its efforts in converting market orientation into capabilities and then into a competitive advantage (Makadok, 2001; Murray et al., 2010).

Market orientation as a capability

The status of market orientation as a market-sensing capability has been discussed in the related literature (Day, 1994; Foley & Fahy, 2009; Menguc & Auh, 2006). A behavioral definition of a market orientation as "the organization-wide generation of market intelligence, dissemination of its intelligence across departments, and organization-wide responsiveness to it" (Kohli & Jaworski, 1990, p. 6) captures the essence of a market sensing capability. Firms can become more market-oriented by identifying and creating the distinct capabilities that set market-driven organizations apart. One such possibility is the market-sensing capability (Day, 1994).

Many definitions of market orientation can be assumed as a marketing capability that transcends the organizational boundaries of the marketing department (Kirca, 2011) . Kohli and Jaworski (1990) defined market orientation as the generation and dissemination of and the response to market intelligence that relates to current and future customer needs, rivals and channel requirements. Based on most definitions,

market orientation is an outside-in marketing capability that links a firm to its broader business environment, confirming responsiveness and cross-functional coordination. In short, market orientation characterizes a 'know what' advantage that aids managers in selecting and combining resources to match market environments (Barrales-Molina et al., 2014; Slater & Narver, 1995).

Dynamic marketing capabilities development

Market orientation works synergistically with other organizational capabilities to form dynamic marketing capabilities. Firms are required to develop not only their capabilities of generating, disseminating, and responding to market intelligence but also the procedures for acting on this information. Market-oriented firms are greater in their market-sensing and customer-linking capabilities. When these two capabilities are intensely rooted within the firm, all functional activities and organizational processes are better directed toward anticipating and responding to changing market environments ahead of the firm's rivals (Hunt & Morgan, 1995). The development of proper capabilities is derived from market orientation. It is the internal functioning component that differentiates a firm's capability in exploiting its market orientation, resulting in capabilities that contribute to a desirable performance. As a consequence, market orientation requires complementary capabilities if it is to be completely realized, and the firm's market orientation and capabilities may interact to enable the firm to deploy its resources in its market environment more effectively than its rivals (Day, 1994; Eisenhardt & Martin, 2000; Morgan, Vorhies, et al., 2009).

Market-oriented firms establish higher levels of capabilities than their less market-oriented competitors and considerably outperform their rivals. To sustain market orientation, firms are required to develop and maintain their dynamic capabilities and marketing capabilities. Previous literature has discussed how new capabilities generally arise as the firm's management learns how to improve and exploit firm-specific resources in the most efficient and effective manner (Akdeniz et al., 2010). These capabilities are exhibited in the assimilation of the knowledge and the skills of the firm's employees (Grant, 1996).

Marketing capabilities are developed when the firm's marketing employees repeatedly apply their knowledge and skills (both of which are intangible resources) to converting marketing inputs to outputs. These intangible resources are often combined

with tangible resources or assets to affect this conversion. Thus, marketing capabilities are the integrative processes designed to apply the collective knowledge, skills and resources of the firm to the market-related needs of the firm, allowing the firm to increase the value of its products, adapt to market environments, take advantage of market opportunities and overcome competitive obstacles (Vorhies, 1998).

The development of marketing capabilities may be reliant on an alignment between market orientation and environmental conditions. Benchmarking is considered as a market-based learning tool that allows a firm to develop and deploy the resources and capabilities that are appropriate for its market environment. Benchmarking can, therefore, help to create successful market-oriented firms. It has been observed by various researchers that benchmarking can increase both managers' and employees' awareness of the external environment in order to reach a shared understanding of the capabilities required to accomplish better performance and leads the investment of the firm in developing its capabilities (Akdeniz et al., 2010; Brockett, Golden, Sarin, & Gerberman, 2001).

Several studies have claimed that learning through repetition could facilitate the development of marketing capabilities. By bringing people and resources together in repeated efforts, firms develop the practices upon which capabilities are grounded. Unique marketing capabilities will develop as individuals combine their particular knowledge and skills with the resources available. When rivals cannot easily imitate these value-adding capabilities, when one capability cannot be easily replaced for another capability, then the capability forms the essence of a sustainable competitive advantage (Grant, 1996; Weerawardena, 2003).

As identified by Moorman and Day (2016) another approach to developing capabilities is the focus of the firm on sustaining a competitive advantage and increasing the distinctiveness of its capabilities. These principles, which are drawn directly from research on the RBV of the firm, are often evoked as reasons why firms should invest in capabilities and why capabilities are a central part of business performance. Research has suggested that firms can learn new capabilities by benchmarking against successful competitors and by the indirect or observational learning of competitors' practices (Banerjee, Prabhu, & Chandy, 2015; Vorhies & Morgan, 2005).

2.8 Theoretical framework

Marketing knowledge and cross-functional marketing processes are the factors that trigger the dynamic marketing capabilities development process. Previous studies have suggested that dynamic capabilities require the firms to reconfigure their resources and capabilities through stable and intentional patterns and common underlying processes, namely learning, integrating, sensing, and coordinating (Eisenhardt & Martin, 2000; Teece et al., 1997; Wang & Ahmed, 2007). In order to propose a dynamic marketing capability, that capability must be considered as a dynamic capability that has marketing knowledge and a cross-functional marketing process embedded in the underlying process.

Marketing knowledge resides in four key marketing processes: product development management, customer relationship management, supply chain management, and market research (Hanvanich, Dröge, & Calantone, 2003; Kohlbacher, 2007). As the main purpose of dynamic marketing capabilities is to sense marketing knowledge in order to integrate this knowledge into the rest of the organization, the cross-functional departments must absorb and assimilate market knowledge and integrate that accumulated knowledge into the rest of the organization through knowledge management. Barrales-Molina et al. (2014) considered the marketing process to be an enabler of dynamic marketing capabilities and stressed the strong influence of the marketing department as a criterion for developing dynamic marketing capabilities. However, some studies focused on the cross-functional marketing processes as the way to integrate market knowledge throughout the firm (Bruni & Verona, 2009; Maklan, Knox, & Ryals, 2008). In this research, the author also considers that the underlying process should involve cross-functional departments. Dynamic marketing capabilities are capabilities that renew the resources and capabilities of the firms as a whole; hence, all department should be brought together to develop these capabilities.

According to the integrative framework of Barrales-Molina et al. (2014), dynamic marketing capabilities must be presented as dynamic capabilities, contributing to or triggering the renewal of the organization's base of resources and capabilities. In addition, dynamic marketing capabilities must be identified through the precise features of dynamic capabilities. Regarding the dynamic capabilities development process,

Teece et al. (1997) posited that a firm interested in developing dynamic capabilities should encourage the coordination of a particular set of underlying processes. In their original study, they divided the dynamic capabilities development process into the following four components: 1) sensing capability, the ability to gather new market intelligence to detect threats and opportunities; 2) learning capability, the ability to use new market intelligence to create new knowledge; 3) integrating capability, the ability to embed new knowledge in operational capabilities; and 4) coordinating capability, the capacity to deploy tasks, resources and activities in the new operational capabilities.

This underlying process relates to the three components of market orientation grounded by Kohli and Jaworski (1990). Market orientation is defined as a cross-functional process of generating and disseminating intelligence as well as employing that intelligence to reflect the dynamics within the organization in response to changing environments. This company-wide process is integrated by collaboration and alignment among the top management, across departments, and in supporting systems and is the center for organization achievement. Market orientation has a liberating effect on capabilities, which makes firms more dynamic (Jaworski & Kohli, 1993).

Scholars who have studied the role of marketing in the integration of dynamic capabilities refer to the importance of market orientation. Some researchers even suggesting a focus on market orientation in necessary in order to understand how dynamic capabilities work from a general point of view (Menguc & Auh, 2006; Pavlou & El Sawy, 2011) . Looking at the conceptualization, this study identifies a connection between dynamic capabilities and market orientation. To be more precise, the sensing capability accompanies the generation of market intelligence. Firms need to scan the environment around them to detect threats and business opportunities. The firms can then learn from the new market intelligence and share what they learn among their team members as well as other departments within the organization. This learning stage focuses on using market intelligence to create new knowledge. After the knowledge is shared, the recipients respond by applying the new market knowledge in their routines before coordinating with related department to respond to the market (G. S. Day, 2011; Pavlou & El Sawy, 2011).

There are various factors influencing the development of dynamic capabilities. Scholars in this field have already explored the antecedents that affect the emergence of dynamic capabilities. They are factors or conditions that enhance and inhibit the development of dynamic capabilities. The antecedents are classified into internal (social and structural) and external (environment and network/relationships) factors. The process of developing dynamic capabilities has been described in more of a conceptual way than in an empirical way. In addition, previous studies have examined the micro-foundations, specific components, and enablers (Dixon et al., 2014; Eriksson, 2014). During the process of developing dynamic marketing capabilities, there are internal and external factors that could influence the process. Regarding the internal factors, scholars have identified the influence of top managers and stakeholders on the development of dynamic marketing capabilities. In relation to the external factors, networks and agencies are crucial in influencing the development process (Eriksson, 2014; D. J. Teece, 2014).

The next question is once firms have successfully developed their dynamic capabilities, how could they maintain the capabilities to stay competitive over time? In fact, none of the previous research in this field has specifically discussed the process of maintaining dynamic capabilities. However, when we look in-depth into the process of the dynamic capabilities lifecycle, the maintenance process of these capabilities is embedded in the iterative process of dynamic capabilities development and refinement, which allows the firms to renew and recreate their dynamic capabilities constantly over time (Ambrosini et al., 2009; Dixon et al., 2014).

Scholars have observed that the development of dynamic capabilities is an iterative process (Ambrosini et al., 2009; Dixon et al., 2014). In the dynamic and hyperactive environments, firms are required to renew and regenerate their dynamic capabilities in order to sustain their competitiveness. Indeed, the term ‘dynamic’ indicates the role they play in renewal, while ‘capabilities’ stresses that they are not spontaneous responses, but rather the result of strategic decisions or, put another way, intentional and regular efforts to adapt to a new context (Barrales-Molina et al., 2014). As a result, the firms which are able to renew and regenerate their dynamic capabilities over time are able to maintain not only their capabilities but also their organizations’ finesse in the changing environment.

The process of developing dynamic marketing capabilities has evolved from the process of developing dynamic capabilities because the key criterion for identifying dynamic marketing capabilities is that they should be real dynamic capabilities. Many dynamic capabilities in marketing area studies share a common assumption about the particular factors that transform dynamic capabilities into dynamic marketing capabilities. They are market knowledge and a cross-functional marketing process. In other words, dynamic marketing capabilities are dynamic capabilities in the marketing field. However, the development of dynamic marketing capabilities requires market knowledge and a cross-functional marketing process (Barrales-Molina et al., 2014; Evers et al., 2012). This knowledge and process are crucial for developing adaptation processes throughout the organization as a whole. As discussed above, market knowledge and marketing processes act as factors that trigger the process of developing dynamic marketing capabilities.

The dynamic marketing capabilities development framework links to the mainstream of the strategic marketing management literature through the so-called market orientation. Market orientation is always concerned with dynamic capabilities as much of market orientation literature has been developed from the resource-based view (RBV). Although market orientation is not essentially dynamic, it can be transformed into a dynamic capability when complemented by reconfiguration constructs (G. S. Day, 2011; Menguc & Auh, 2006). In this regard, the terms ‘responsive’ and ‘proactive’ market orientation (Narver, Slater, & MacLachlan, 2004; Slater & Mohr, 2006) assist this area of research in better understanding when we link market orientation to dynamic capabilities. According to Narver et al. (2004), firms are required to enhance their proactive market orientation constantly in order to develop and maintain sustainable competitive advantages. Following this line of argument, we can see how market orientation acts as a dynamic capability.

In summary, the underlying process of dynamic capabilities development (Teece et al., 1997) is consistent with the process of market orientation, which underlines the generation of intelligence, dissemination of intelligence, and responsiveness to market intelligence (Kohli & Jaworski, 1990). These concepts could be a solution to helping firms respond to fast-changing markets. Although market orientation and dynamic capabilities concepts are effective tools for helping firms to

respond to the dynamic markets, they may not be sufficient for the hectic market environments of today. Hence, dynamic marketing capabilities are required for forecasting trends and events before they occur and then adapting effectively.

Overall, when we look at the state of the field, previous studies have already explored the antecedents, processes, and outcomes of dynamic capabilities and market orientation. However, only few studies have investigated those areas of dynamic marketing capabilities. In this regard, this study will investigate how marketing knowledge and a cross-functional marketing process influence the dynamic marketing capabilities development process. In addition, it will explore how specific components drive the underlying process of dynamic marketing capabilities development. This study will start from what we know in the state of the dynamic capabilities field and then compare this with the findings from a review of all transcripts obtained in this project. In addition, it expects to see themes emerge from the multiple cases in order to answer the research question on how firms develop and maintain dynamic marketing capabilities over time. Figure 2.2 illustrates how the extant literature discusses the process of developing and maintaining dynamic marketing capabilities.

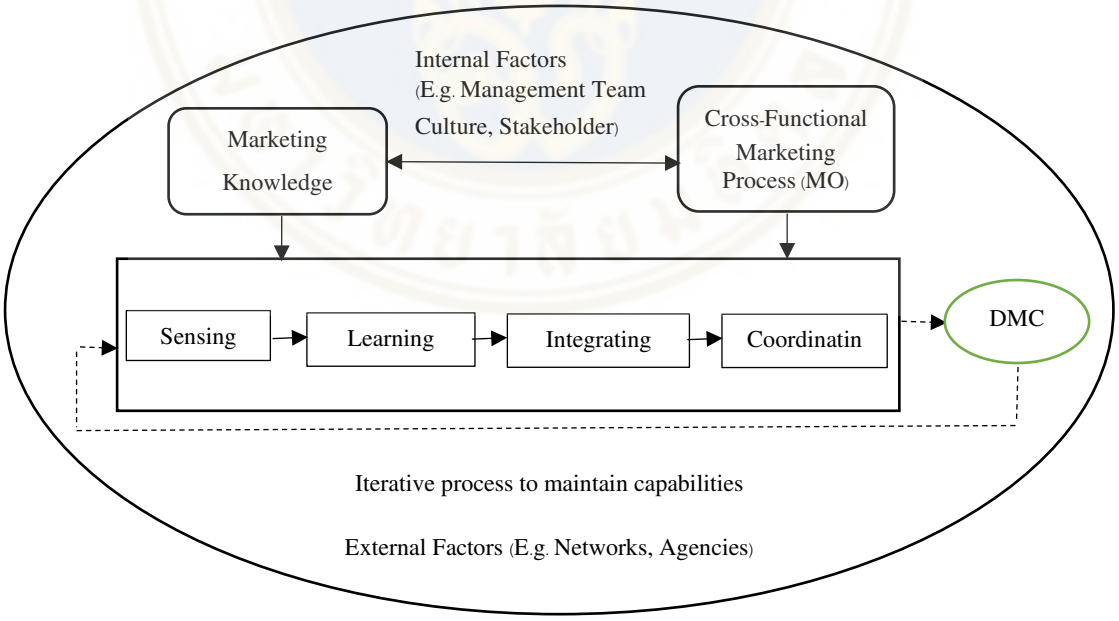

Figure 2.2 Theoretical framework

Source: Barrales-Molina et al. (2014), Eriksson (2014), Jaworski & Kohli (1993), Kohlbacher (2007), Teece et al. (1997)

CHAPTER III
METHODOLOGY

3.1 Type of research design

The majority of existing studies regarding dynamic capabilities and market orientation focus on a quantitative approach (Eriksson, 2014; Kirca, 2011). To be more precise, these previous studies focus on quantifying the market orientation, dynamic capabilities, and business performance relationship. However, this study aims to conduct a data-driven research based upon subjective and managerial views since the literature review revealed that there is a lack of empirical studies examining how firms develop dynamic marketing capabilities when it comes to the context of emerging markets. More importantly, the underlying factors of how dynamic marketing capabilities can be maintained are still underexplored. Hence, in order to probe more deeply into how these development and maintenance practices actually work in organizations, the exploratory research design is needed as it will allow the researcher to reflect real world perspectives with selected market-oriented firms in emerging markets and examine how these firms can stay market-oriented over time and react responsively to changes in turbulent market environments by managing the dynamic marketing capabilities of their organizations (Ghauri & Grønhaug, 2005; R. K. Yin, 2017).

Qualitative research is an approach this study selected as to engage the practices in the case firms participate in the study. The researcher aims to build the way that values respondents' perspectives on their experiences and seek to realize those perspectives through inquiry as part of a collaborative process between the author and respondents of each case firms. Denzin and Lincoln (2002) described qualitative research as "a situated activity that locates the observer in the world. It consists of a set of interpretive, material practices that make the world visible. The data obtained from these practices create insightful contributions to both academic and business worlds business. The data from each case firms are built into a series of representations,

including field notes, interviews, conversations, photographs, recordings, and memos to the self. At this level, qualitative research involves an interpretive, naturalistic approach to the field as the researcher study case firms in their natural settings, attempting to make sense of, or to interpret, phenomena regarding the meanings people bring to them" (p.3).

In strategic management studies, many scholars have also claimed that qualitative, smaller sample studies are likely to be more appropriate for understanding the restraints of resource creation and regeneration processes due to the reason that the qualitative method could help the researchers to be involved in the organization setting. As a result, this study could obtain in-depth and insightful data (Ambrosini & Bowman, 2009; Denzin & Lincoln, 2002).

3.2 Exploratory design

This study applies a qualitative approach through an exploratory organizational study as this enables the author to adopt an insider's position in the case firms; advance a strong sense of contextualization and process; cope with a formless approach with little previous theoretical orientation and no presupposed hypotheses; and deliver a variety of data sources, such as field notes, interview transcripts, and document (Bryman & Burgess, 1994). The qualitative method was chosen for this study because the research questions focus on the organizational processes in the development and maintenance of dynamic marketing capabilities that try to understand individual and group experience of DMCs activities. Only a qualitative approach is sensitive enough to allow the detailed analysis of the development and maintenance of capabilities. Even though the inductive exploratory research has been criticized regarding its ability to create generalization, there are two different types of generalization, namely statistical generalization and analytical generalization. The power of qualitative research depends on its context, which is very information rich in a particular industry, point of time and situation. In that setting, this study found a mechanism and analytical generalization. Hence, this is a valid methodology due to the subject of the research questions (Cassell & Symon, 2004; F. Kohlbacher, 2006).

As this study aims to understand firm-specific resources and contexts as well as how they develop and maintain dynamic marketing capabilities in practice, it requires

fine-grained studies to obtain intense and contextualized data through qualitative investigation (Godfrey & Hill, 1995; Rouse & Daellenbach, 1999). These studies, however, are commonly time-consuming and demanding in terms of finance, access to firms and analysis. Danneels (2008, p. 536) noted that "notwithstanding its current popularity, the notion of dynamic marketing capabilities is abstract and intractable", which may remain true if we are unable to increase the number of qualitative field investigations. Thus, this study aims to generate data from multiple firms in emerging markets using Thailand as the chosen field as recommended by (Ambrosini & Bowman, 2009, p. 46) who thought that the field needs fine-grained case studies of firms which have sustained advantages over time in dynamic environments. They mentioned that field research is required in order to allow the researchers to address the micro-process question of how and why managers use dynamic marketing capabilities (Pablo, Reay, Dewald, & Casebeer, 2007).

There are huge opportunities in Thailand as the nation has implemented many infrastructure projects e.g. new metro lines and join the Eastern Economic Corridors. Yet, the challenges faced by the nationals and foreigners are as huge as the opportunities. Only ones with endless capabilities will be able to give and gain to the country. According to the twelfth National Economic and Social Development Plan (2017-2021), the economic plans include the following highlights. 1) Supporting for research and development (R&D) to increase innovation and value-added products enhancing the efficiency of the workforce, revival of the One Tambon One Product (Otop) scheme. 2) Improving the competitiveness of small and medium-sized enterprises, providing support for the move towards a "digital economy", and restructuring the industrial sector, especially those industries related to the strengths of the country. In addition, Thailand was selected because risk and uncertainty in the country are high due to the high volatility of key economic, political, and institutional variables. Hence, businesses find it harder to predict the parameters they need for strategic decisions, including, for example, business cycles, government actions, and the outcome of legal proceedings (Xu & Meyer, 2013).

All of above make Thailand an interesting emerging market in which to study the development of dynamic marketing capabilities. This study found at the end that the five characteristics of emerging markets mentioned by (Sheth, 2011)namely,

market heterogeneity, socio-political governance, chronic shortage of resources, unbranded competition, and inadequate infrastructure are affecting five case firms in the different levels and aspects, which will be clearly explained in Chapter 4. This study takes the opportunity to employ an exploratory approach using the Thai context to examine how dynamic marketing capabilities are developed and maintained in organizations. Figure 3.1 demonstrates how this research applies exploratory design to obtain the data.

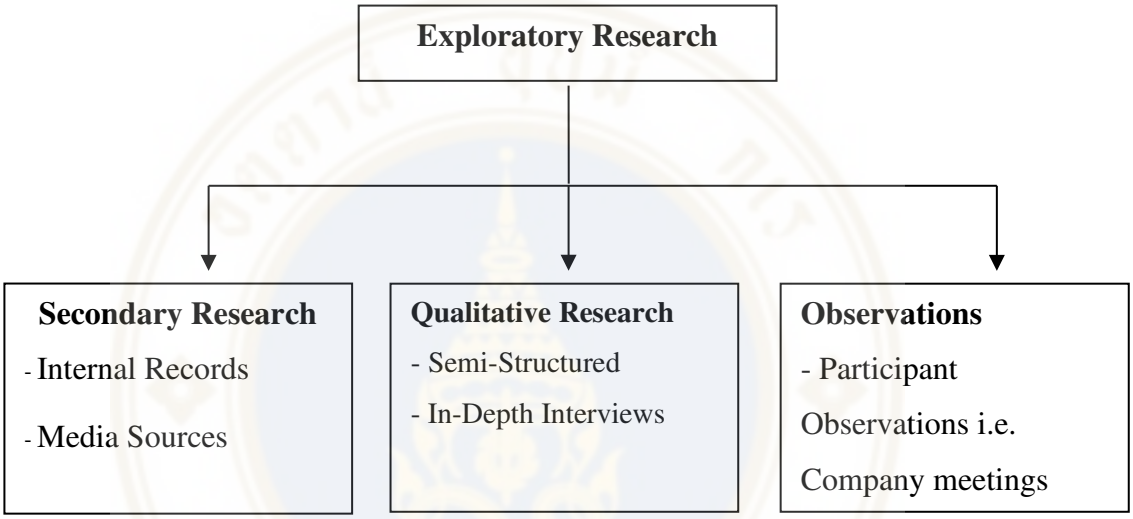

Figure 3.1 Exploratory Research

Source: Bryman & Burgess (1994), R. K. Yin (2017)

3.3 Case study as research strategy

Following the studies of Eisenhardt and Martin (2000), F. Kohlbacher (2006), Siggelkow (2007), R. K. Yin (2017), this study employs a qualitative case study as its research strategy to explore how case firms develop and maintain dynamic marketing capabilities within their organizations in order to stay market-oriented over time since the existing literature did not offer much guidance in a systematic manner. The goals of this study are to identify meaningful knowledge that can be used to facilitate a holistic study of dynamic marketing capabilities development and maintenance processes and to allow for observation of both formal and informal processes in dynamic marketing capabilities development in case firms. This study aims

to let the cases speak to expose the underlying logic in the observed firms that quantitative methods fail to expose (Miles & Huberman, 1994; Siggelkow, 2007).

The researcher selected to study multiple firms as case studies are a popular research tool in organizational studies. Hartley (1994) described case studies as "a detailed investigation, of then with data collected over a period, of one or more organizations, or groups within organizations, with a view to providing an analysis of the context and processes involved in the phenomenon under study" (p.208-209). The case studies method is useful in organizational studies especially in the subject of dynamic marketing capabilities because it allows an exploration to retain the holistic and meaningful characteristics of real-life event such as organizational and managerial processes (R. K. Yin, 2017). By conducting case studies, it is expected to point out detailed, valuable and useful insights into a firm's dynamic marketing capabilities development and maintenance activities, which could not have been achieved by a survey method alone (Ghauri, 2004).

This study combines five case studies within the project, which is ideally well-matched to the exploration of issues in depth and the following of leads into new areas of new creations of theory, where the theoretical framework at the beginning may not be the same one that lasts to the end (Hartley, 1994; F. Kohlbacher, 2006). Multiple case studies allow the in-depth study of the dynamic marketing capabilities of the case firms. Also, studying multiple cases allows for replication logic where each case is observed as an independent research study, which may confirm, reject or extend the theoretical background through emerging insights. The replication logic delivers more accurate and transferable results compared to single case studies.

Despite their usefulness, case studies have also frequently been criticized. They are usually more time-consuming and labor-intensive than survey methods. Consequently, the time and financial constraints limit the number of selected cases and interviewees from each case firm. As a result, increasing the number of cases may sometimes even reduce the quality of the research rather than increasing it (Eisenhardt & Graebner, 2007; Siggelkow, 2007).

Organizational studies have employed case studies as a way of providing insights that cannot be achieved by a quantitative survey method. For example, Siggelkow (2001, 2002) conducted two longitudinal case study researches, with the first

case Liz Claiborne, in which the relationship between inertia and a tight internal fit among a firm's activities when the firm faces turbulent environment was examined. Another longitudinal case was the study of The Vanguard Group, which was conducted to examine how firms evolve toward a tight internal fit among their activities. Likewise, case studies were employed to study market orientation and dynamic capabilities as a way of exploring issues in the specific firms.

In market orientation studies, Rogers et al. (2005) conducted an exploratory single case study with multiple units of analysis research to investigate a Western retailer's market orientation levels in two emerging markets of Eastern Europe. Leelapanyalert and Ghauri (2006) included market orientation in their qualitative comparative case studies research regarding international retailing expansion by investigating its impact on the international activities of retailing firms operating in China. In marketing capabilities studies, Kaufmann and Roesch (2012) used a qualitative research approach to investigate the challenges that Chinese firms face in their attempts to develop marketing capabilities in the European market.

In dynamic capabilities studies, Dixon et al. (2014) examined the micro-foundations of dynamic capabilities that sustain competitive advantages to secure both short-term and long-term benefit in an extremely volatile environment of a transition economy by conducting a qualitative case-based study of Russian oil firms. Additionally, a mix-method was employed to study the dynamic capabilities of firms in emerging markets and Western firms by examining the relationship between entrepreneurial orientation, environmental dynamism and dynamic capabilities (Jiao et al., 2010; Schilke, 2014).

3.4 CAQDAS/NVIVO

In the data gathering process, conversations were recorded and transcribed verbatim. The data from case firms were analyzed by the qualitative pattern matching technique (F. Kohlbacher, 2006). Using Computer Assisted Qualitative Data Analysis (CAQDAS). CAQDAS facilitates transparency in the dialogue between the researcher and textual data thus increasing conformability through external checks .Furthermore, CAQDAS facilitates the organization and analysis of large volumes of data, therefore

overcoming limitations and weaknesses associated with qualitative research (Miles & Huberman, 1994). Many CAQDAS software tools are available for qualitative researchers, such as ATLAS.ti, DEDOOSE, Digital Replay System (DRS), MAXQDA, NVivo, QDA Miner, QUIRKOS, and Transana. Nvivo was selected for this study because it provides technical advantages compared to traditional means of text analysis and ultimately helps in the formalization of processes, which contribute to more reliable research findings. In addition, it is user-friendly for novice researchers when compared to other software packages. In addition, to increase trustworthiness, this study follows the data analysis process of Sinkovics, Penz, and Ghauri (2008), which involved formalized steps of 1) organizing, 2) coding (data reduction), 3) searching, and 4) modeling and interpretation (p.703).

1) Organizing

By using NVivo, a PhD project was created, comprising rich textual material drawn from in-depth interviews, written observations as recorded by the interviewer, media, and firm information.

2) Coding

The collected data were coded; which is the most crucial step in the analytical process. The coding process is an ongoing interpretation and examination of textual data from different perspectives.

3) Searching

NVivo allows the researcher to activate nearly unlimited searches. The software responds straightaway with those text orders, which are related to the keywords.

4) Modeling

The final step in the NVivo analysis is assisting in the interpretation and building of models. Hence, this study is able to draw empirical frameworks that reveal solid findings of each case firm and cross-case findings.

3.5 Respondent criteria

The case sampling strategies employed in this study are the literal replication technique and theoretical replication logic, which means that each case was

carefully selected to develop a rich theoretical framework. The framework needs to state the conditions under which a particular phenomenon is likely to be found (a literal replication) as well as the conditions when it is not likely to be found (a theoretical replication) (Yin, 2009).

Decent preparation begins with the desired skills on the part of the case study investigator. Four additional topics were a formal part of this study preparation: 1) training for a specific case study, 2) developing a protocol for the investigation, 3) screening candidate cases, and 4) conducting a pilot case study. In this stage, we contacted potential firms, including both local and foreign firms in Thailand that have dynamic marketing capabilities and market orientation practices in line with their strategies. The study then adopted the snowball sampling method to create a list of firms that were suitable for the pilot interviews (Belk, Fischer, & Kozinets, 2012).

As an explicit sampling frame is required, the researcher adopted theoretical sampling through Miles and Huberman (1994) four sampling parameters – setting, actors, events, and, processes – in order to identify settings that offer solid information for a full analysis of firms' market-oriented and dynamic marketing capabilities activities in emerging markets. The sample parameter is guided by the research questions and existing theories regarding market orientation and dynamic marketing capabilities to set the emphases and boundaries for sampling selections. In this way, it allows us to observe both formal and informal processes and the underlying logic in the observed firms that quantitative methods fail to uncover (Evers et al., 2012; Miles & Huberman, 1994). The selection criteria were set to include both local and international firms in Thailand that are market-oriented (Miles & Huberman, 1994; R. K. Yin, 2017). This study focuses on top managers and executives who have considerable experience in the marketing process in their firm as the actors. Critical events and processes related to the development and maintenance of dynamic marketing capabilities were intensely detected during the selection process.

This study screened the firms that passed the criteria in Table 3.1 through key manager interviews. During this screening phase, the researcher discovered whether the firms made use of dynamic marketing capabilities as well as their market orientation over a period of time. This study adopted the operational definition of dynamic marketing capabilities as "capabilities that use market knowledge to adapt

organizational resources and dynamic capabilities that renew the organization as a whole through the contribution of cross-functional departments" (Barrales-Molina et al., 2014, p. 402). Also, the definition of market orientation was adopted from Kohli and Jaworski (1990, p. 6) as "the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across departments, and organization-wide responsiveness to it".

As a result, after the pilot phrase, five case firms with conceptual relevance rather than representative grounds were selected. This study chose case firms from diverse industries in order to compare how different types of firms manage dynamic marketing capabilities to align with their business strategies. The headquarter firms focused on new product development as their dynamic marketing capability activity while one foreign subsidiary firm focused on customer relationship management. This approach facilitates the comparability on the sample cases and, thus, legitimates claims to external validity with respect to the core findings (Miles & Huberman, 1994).

Table 3.1 Sampling parameters adopted

Sampling Parameters	Choices
Setting	Local and foreign firms that embed dynamic marketing capabilities in their routines (having the capabilities that involve the utilization of market knowledge to adapt organizational resources and dynamic capabilities to renew the organization as a whole through the contribution of cross-functional departments). In addition, they should be market-oriented (having a cross-functional process of generating and disseminating intelligence as well as employing that intelligence to reflect how the dynamics within an organization respond to changing environments. This company-wide process is integrated by collaboration and alignment among the top management, cross-departments, and supporting systems and is the center for organization achievement).

Table 3.1 Sampling parameters adopted (cont.)

Sampling Parameters	Choices
Actors	Top managers and executives with at least 6 months' experience working with the case firm and involved in the dynamic marketing capabilities process and having considerable experience in the firm.
Events	Events critical for dynamic marketing capabilities development and maintenance.
Processes	Dynamic marketing capabilities in business activities.

Source: Miles and Huberman (1994)

3.6 Pilot Study

Pilot-Interview and Screen (April-July 2015)

Due to the nature of exploratory research, this study developed interview questions from literature to be used in this pilot interview. Yin (2009) suggested conducting a pilot case study as the last preparation for data collection as this helps to refine the data collection plans on both the content of the data and the procedures to be followed. Pilot interviews help to polish the data collection plan in terms of the content of the data and the processes to be monitored. In this regard, it is important to note that a pilot study is not a pre-test. The pilot study is more constructive in assisting with the development of appropriate outlines of questions and providing some theoretical explanations for the research design. Thus, the pilot study aims to explore whether the set of interview questions is applicable in the field or not and to determine what is actually going on in the real corporate world, as well as to screen all the potential firms that will participate in the research through the multiple-case studies. These firms should meet all of the criteria as stated in the sampling parameters. Accessibility is the main challenge in this process.

The pilot interviews took place between April and July 2015. The respondents received the semi-structured questions a week before the meeting, and every interview lasted from 35 to 120 minutes. The researcher provided each firm with

1) an overview of the research project, which described the objectives and scope of the analysis; 2) standardized interview guidelines to prepare them for the interviews; and 3) a consent form to certify the respondents' confidentiality. Before and after the interviews, the researcher accumulated secondary data on the sampled firms.

This study selected potential firms on the basis of academic and practitioner recommendation reviews of media sources and company documents to create a pool of enthusiastic respondents (Gebhardt et al., 2006). At the end of the pilot interviews, fourteen managers (mainly marketing managers) from twelve firms were selected through snowball sampling. Table 3.2 demonstrates the characteristics of the firms and respondents from the pilot study. The highlighted firms allowed the researcher to use their actual names while the rest are pseudonyms. While these latter firms requested anonymity, they did allow the researcher to present their characteristics, such as their industries, nationalities and respondents' positions.

Table 3.2 Pilot interview respondents

Firm	Industry	Informants' position	Represent as	No. of employees
Srithai Superware Public Company Limited	The world's largest manufacturer of 100% melamine tableware	Director of International Marketing	Thai MNEs	3,400
Srichand United Dispensary Co.,Ltd.	Cosmetics products "Srichand Powder" brand	Managing Director	Thai SMEs, that are successful in the domestic market and planning to access overseas markets.	140
Anantara, Minor Hotel Group	One of the largest hospitality and	Director of Marketing and Director of	Thai MNEs (Management Contract)	2,000

Table 3.2 Pilot interview respondents (cont.)

Firm	Industry	Informants' position	Represent as	No. of employees
	leisure firms in the Asia Pacific Region	Sales		
Home do (Pseudonym)	Hardware store firm	Executive Vice President	Thai firm; Franchise from the USA	60
Latte (Pseudonym)	Pure-Play Coffee & tea company	Business Manager and Shopper Customer Manager	Dutch MNEs	250
Agro (Pseudonym)	Thailand's largest agricultural-based firm	Executive Vice President	Thai MNEs	90,000
British Pharma (Pseudonym)	Marketing and sales organization of British pharmaceutical firm	Product Manager	British MNEs	300
Japanese Pharma (Pseudonym)	Marketing and sales organization of Japanese pharmaceutical firm	Director of Marketing	Japanese MNEs	250
Swiss Pharma (Pseudonym)	Marketing and sales organization of Swiss pharmaceutical firm	CPO Head and Country President	Swiss MNEs	220
Telete (Pseudonym)	Telecommunications network provider	Assistant Vice President	Norwegian MNEs	5,000

Table 3.2 Pilot interview respondents (cont.)

Firm	Industry	Informants' position	Represent as	No. of employees
Delicious Pseudonym)	Restaurant retailer	Chief Financial Officer	American MNEs	1,100
Rainbow Bank (Pseudonym)	Commercial Bank	Market Research Specialist	Thai MNEs	10,000

Pilot-interview guide

Table 3.3 is the pilot interview guide, which was drawn from existing marketing and strategy literature (Gebhardt et al., 2006; Jaworski & Kohli, 1993; Kohli & Jaworski, 1990).These questions provided a structure for each interview, but it was also necessary in most cases to explain and clarify some of the questions, as well as to probe deeper with additional questions in order to draw out examples, illustrations, and other insights. In particular, probing questions were asked so as to obtain more details related to the anecdotes(Chirico & Nordqvist, 2010).

Table 3.3 Pilot-interview guide

1. Macro Environment
1.1 What is the current status of your business and the industry? Tell me a little bit about what is going on. 1.2 What has been happening in the past couple of years in your business? Major environment forces – Example of the Topic to keep in mind if respondents do not talk much. *Demographics* Lack of unskilled labor Growing of middle-class *Economic* AEC

Table 3.3 Pilot-interview guide (cont.)

1. Macro Environment
Higher living expense *Natural* Flood in 2011 *Technological* Social Media E-Commerce *Political (Gebhardt et al., 2006)* Bangkok Shutdown Coup d'etat Stage of Emergency since 22 May 2014 *Cultural* Changing Lifestyles 1.3 What do you expect in the near future? 1.4 What do you think would be the most important driver in your industry? 1.5 Have the needs of the customers changed in the past 2-5 years?
2. Market Intelligence
2.1 .How do you generate marketing data? (Jaworski & Kohli ,1993) 2.2 How do you know what customers want? (Jaworski & Kohli, 1993) 2.3 From the research)or the company research (I found that …are your customers, but who is actually your target customer? (Gebhardt et al., 2006) 2.4 Do you do market research? How? What is it about?
3. Intelligence Dissemination, Dynamic Capabilities, and Marketing Capabilities
3.1 How do you share and disseminate information and knowledge in the organization? 3.2.-3.3 for MNEs 3.2 What is the relationship between headquarters and subsidiaries? 3.3 How do you share information? 3.4 Can you tell me how decisions have been made?

Table 3.3 Pilot-interview guide (cont.)

3. Intelligence Dissemination, Dynamic Capabilities, and Marketing Capabilities
3.5 Does the whole organization know when something important happens in the market? (Jaworski & Kohli, 1993) 3.6 Do you use formal or informal talk in the department about competitors' market orientation strategies? (Jaworski & Kohli, 1993) 3.7 Do the top managers tell employees that the organization's survival depends on their adapting to the market? (Jaworski & Kohli, 1993) 3.8 How do you/the organization make the rest of the organization become more adaptive? 3.9 Do you spend time discussing the market with other departments? (Jaworski & Kohli, 1993) 3.10 How often do you have department or interdepartmental meetings to discuss market trends? (Jaworski & Kohli, 1993)
4. Responsiveness & Dynamic Capabilities
4.1 How is your responsiveness to the market? 4.2 Do several departments get together to plan a response to the changing environment? (Jaworski & Kohli, 1993) 4.3 How long do you take to respond to the changing environment? (Jaworski & Kohli, 1993) 4.4 Are the responsive activities of different departments well-coordinated? (Jaworski & Kohli, 1993) 4.5 Do you/the organization encourage all levels of employees to react to these challenges? How? 4.6 From the last question, does the reward play a significant role? (Gebhardt et al., 2006)
5. End up question
5.1 From the answers that you have provided about all your activities and capabilities, how can the organization/you maintain these capabilities in your organization? (Gebhardt et al., 2006) 5.2 What do you think about the term 'market orientation'? How would you define it? (Respondent's definition) (Kohli & Jaworski, 1990)

Preliminary findings and applications of pilot-study

This pilot study was conducted in twelve respondents from firms operating in Thailand, comprised of six local and six foreign organizations. Unfortunately, two respondents had to be excluded from the preliminary analysis due to inadequate information. Finally, five local and five foreign firms were included in the preliminary analysis.

Preliminary findings

The preliminary findings from the ten respondents revealed that a diverse range of industries face the institutional impact of Thailand's dynamic environments. The political dilemma affected the economy, which staged a slow but steady recovery at the end of 2015, driven by the stronger export demand and higher levels of public spending, as the impact of the government's investment programs began to register. Apart from the institutional environment, the respondents also stated the effects of changes in consumer behavior. In 2015, with the improved internet infrastructure after the launch of 3G in 2013, online shopping and marketing was playing more significant role. Apart from social media, more firms are setting up their own websites for online promotion and shopping. Urban customers tended to look for quality and convenience while upcountry customers are more conservative, with lower brand awareness than customers in urban areas are (Thanasuta, 2015). Nevertheless, the issues of political instability, economic downturn, and changes in consumer behavior affect each industry differently. All of the respondents responded to these impacts by transforming their resources into various capabilities in order to address the obstacles and stay market-oriented over time.

Market orientation

Overall, the firms were market-oriented in different degrees, aspects, and approaches. Firms in different industries are affected by various factors. For example, Agro and Telete are affected by Thailand's overall economic and demographic factors, since their products such as eggs and milk and mobile phone networks are involved in everyday consumer life. Latte, Anantara, Srithai, and Delicious are affected by the changing market trends and customer behaviors, while small, dynamic firms such as Srichand are not affected by changes in the macro environment and market trends in the same way as other firms since the nature of their product do not rely on macro

environmental factors. Customers who use cosmetics every day will not stop using cosmetics because of changes in the environment. They may just switch brands, which is a positive effect on Srichand, because the prices of its products are affordable. Another interesting finding from the pharmaceutical industry in Thailand is that firms in this sector have been facing critical issues arising from the political instability of the country. This industry is subjected to a variety of laws and regulations that govern the patenting, testing, safety, efficacy and marketing of drugs. Local government controls marketing activities, which had been changed several times rapidly in the past five years. Consequently, the policies of the drug controls had also changed. A lack of coordination among government stakeholders is an issue in this market.

Intelligence Generation

The generation of intelligence is practiced through various approaches. Large firms commonly hire research agencies to conduct market research, while smaller firms conduct it themselves due to their limited resources. All of the foreign firms generated their market information by hiring research agencies to conduct market research and purchasing data from AC Nielsen. Field visits and developing a relationship with the local government agents are common practices for pharmaceutical MNEs, while telecommunications and FMCG firms focus on developing relationships with their distributors.

Dissemination

Dissemination in local firms mostly involves sharing intelligence within the marketing function on a regular basis while crucial market intelligence is circulated in weekly or monthly cross-functional meetings. An on-going learning culture occurs as a way of sensing marketing knowledge from the market before disseminating it within the organization. The sharing of best practices is common among foreign subsidiaries as a way to solve the negative impacts of changes in market environments. These organizations share their best practices with their local subsidiaries and with representatives from overseas offices.

Responsiveness

In order to respond to the changing environment, all firms reconfigure, allocate, and transform their resources by different procedures because of their different factors. For example, cost containment measures are the major issue in this industry as

the pharmaceutical firms are forced by local government to reduce the prices of their products. The local government forces public hospitals to purchase medicines at the government's prices as well. Pharmaceutical MNEs respond by rethinking their marketing strategies and allocating, integrating, and tightening their resources in order to survive in this cost-containing environment.

Dynamic capabilities

Sensing

All of the firms have a sensing capability in terms of both sensing opportunities and detecting obstacles. For example, Srichand identified a new market opportunity in border trade areas and responded to it, while Swiss and Japanese MNEs have an ability to sense the need to reconfigure the firm's structure and accomplish internal transformation by restructuring the management team.

Learning

Ongoing learning practices take place in all case, although in different styles. For example, Argo uses internal and external training and on-the-job training, whereas Srithai runs a DNA program as the core of its ongoing learning. This program is a training program that uses the internal experience of managers to teach the new generation. In this program, the top managers give a talk and then open up the session for a discussion. The small firms such as SC adopt learning through coaching activities, in both team and 1:1 sessions. Meanwhile, the Brand team is a critical part of Pharmaceutical MNEs; the members share knowledge and learn from each other in meetings.

Integrating

The pilot case firms tend to integrate through different approaches. For instance, Swiss MNEs shift their focus when they are faced with a cost-containing policy.

Coordinating

The firms coordinate by adding new resources to serve the opportunities, and then tightening the use of resources when needed. For example, Swiss MNEs tighten their resources and manage them effectively to make the best use of them.

Marketing capabilities

Thai firms present a number of emerging themes in terms of their marketing capabilities, such as rebranding capability, vigilant marketing learning, and effective marketing communications. For example, large firms like Argo create new products through the process of NPD, while Srithai focuses on co-creation with customers, and Srichand uses social media as a market research tool e.g. using LINE to communicate with target customers for product testing and receiving their feedback.

Dynamic marketing capabilities

At the beginning of the study, the aim was to concentrate on the concept of market orientation and its impacts. However, the preliminary findings revealed the interesting impacts and applications of marketing capabilities and dynamic capabilities on firms' market-oriented activities. A number of respondents mentioned various dynamic marketing capability practices as the internal mechanisms they employ to help them maintain their market-oriented strategies. This unexpected finding made the researcher decide to refine the broad focus on the impact of market orientation to hone in more specifically on dynamic marketing capabilities by concentrating on how these capabilities are developed and maintained in organizations. For example, Srichand is recognized as the Thai brand that created a market change by using its marketing knowledge to achieve its marketing goal. This marketing knowledge is used not just to restructure the brand, but also to renew the organization as a whole. In addition, Swiss and Japanese MNEs respond to cost containment policies by sensing, learning, integrating, and coordinating their resources to invest more in other product categories. The focus on shifting enables and empowers all departments in their organizations to adapt themselves, too.

Capabilities development

Firms develop capabilities through the creation of a learning organization culture and a positive working environment. Training, motivation, incentives, and recognition are common approaches that firms employ to develop their capabilities while old school commanding system seem to be a barrier to enhancing dynamic marketing capabilities. For example, Srithai and Srichand share common market-oriented behaviors and practices when it comes to developing, integrating, and coordinating their resources into their dynamic marketing capabilities. Consequently,

they are able to act fast in response to changes in the market environment. In comparison, the respondents from Agro, the largest firm in this study, indicated that it has its limitations in terms of speed and its complicated organizational structure. However, this study found that one of key success factors of Agro is its new product development process and distribution channels since the firm is a part of a large cooperation that has comprehensive distribution support.

Table 3.4 displays the findings from the ten organizations classified by type of firm and demonstrates that market orientation practices and the management of dynamic capabilities, marketing capabilities and dynamic marketing capabilities were applied to firms' strategies in different degrees, approaches, and activities. These differences can be explained by the size of the firm and its organization culture. The big firms have a slower response time compare to small firms. This is caused by the company structure and the culture of the organization. The nature of the firm, such as its organizational culture, also affected the findings. For example, firms with a learning organization culture seemed to focus more on developing their capabilities over time. The data from the pilot interviews also revealed that dynamic capabilities are more prevalent in foreign firms than in local firms, while the local firms presented greater marketing capabilities and dynamic marketing capabilities than the foreign firms. Furthermore, highly market-oriented firms responded to changes more promptly while less market-oriented firms had speed limitations due to their complicated organizational structures.

Table 3.4 Pilot finding summary

Concepts	MO	DCs	MCs	DMCs	Capabilities Development
Local Firms	In house market research Meetings Product adaptation	Ability to sense new market opportunities Training Coaching Integrate new MKT knowledge	Rebranding Co-creation Digital communications	NPD	Learning organization Positive working environment

Table 3.4 Pilot finding summary (cont.)

Concepts	MO	DCs	MCs	DMCs	Capabilities Development
		Utilize resources creatively			
Foreign Firms	Research agencies Market visits CRM Sharing best practices Shifting key products	Ability to detect obstacles Training Cross functional responsiveness Integrate and allocate existing resources	Vigilant MKT learning	CRM	Learning organization Positive working environment

The applications of the pilot study

The applications of this pilot study can be summarized into four areas: 1) identify problems and barriers related to respondent recruitment, 2) engage with professionals to gain the initial feedback from them, 3) access the acceptability of observation and interview protocol, and 4) determine the feasibility of the research method.

During the pilot study, the researcher faced obstacles regarding the respondent recruitment process and confidentiality issues. Most of the respondents were not able to provide access to their colleagues, and some of them were afraid to answer in-depth questions. These obstacles were caused by the issue of respondents being afraid of the undesirable effect their participation could have on their positions in the firms. The researcher solved this challenge by explaining respondents' personal details are treated with complete confidentiality and the supplied data will be aggregated with other participants. Indeed, the researcher followed the ethical research policies of the Ethical Review Board (IRB), Mahidol based in Institute for Population and Social research Mahidol University. It was clearly agreed in the participant information sheet form that they have the rights to withdraw from the interview without advance notice and rejection of participation will not affect their career prospect. In addition, when the respondents

seem reluctant to answer, the researcher tried to let the respondents describe their answers in the way they feel most comfortable. For example, the researcher skipped to the other questions when the respondents did not want to answer the particular question or trying to ask the question in broader and general scopes.

Although the interviews were conducted with an interview guide, two sessions were carried out with a 2:1 ratio, which caused difficulties with transcribing and openness. These issues were solved by using a probing strategy in the interviews in order to gain insights from the respondents. Observations and secondary data also helped the researcher to triangulate the data. Opportunely, at the end of this pilot study, two respondents were willing to participate fully in the actual study. Indeed, the pilot study provided a great experience for the researcher to be involved with professionals. The researcher gained insights from the respondents as they not only answered the interview questions, but they also made useful suggestions about the study, which aided the researcher in developing a new set of interview questions to be used in the actual study.

In most cases, the interviews took place in the respondents' workplaces. The field observations helped the researcher to be involved in their working environments, which achieved the purpose of this research in terms of the researcher aiming to gain holistic information from the firms being studied. In addition, this pilot study identified practical problems in the interview protocol. The first such issue was related to the control of the interview. This occurred when the respondents strayed to another topic, took so long to answer a question that time began to run out, or even began asking questions to the interviewer. These issues helped the researcher to create a better plan to control the interview sessions in the actual study. The second issue was the use of academic terms. The researcher has learned that when it comes to interviews with professionals, it is highly recommended that these academic terms be simplified. The pilot study also determined the feasibility of the research method. It helped the researcher to develop the adequacy of the research instrument in the actual study and determined what resources were needed for a planned study. More importantly, the pilot study provided a great opportunity for the researcher to create a positive relationship with the professionals, which brought access to potential respondents who were willing

to participate in the actual study. After the pilot analysis, this study identified the firms which met the criteria and were able to provide full access to develop the case studies.

3.7 Fieldwork

Apart from all criteria mentioned in the sample parameters, the interesting cases should have a significant success story regarding the practices of their dynamic marketing capabilities. They should be well-known in Thailand, unique, and have the ability to sustain their market orientation strategy over time. Then, the actual fieldwork stage will enable the researcher to dig deeper into the issues of dynamic marketing capabilities development and maintenance since the participating firms had been screened to ensure they were market-oriented. This study will include five case studies within the project and incorporate various methods within the case study framework to collect and analyze data. Case studies are created by triangulating primary and secondary data such as expert interviews (with managers in the organizations under study), observations, field visits, and company documents.

In-depth interviews

In this stage, in-depth interviews will be conducted with the firms and as many respondents who are willing to be in the case study as possible in order to gain insights into the market-orientated activities and the dynamic marketing capabilities development and maintenance activities practiced by the firms. The selected firms should be able to maintain their market-oriented activities by developing and maintaining dynamic marketing capabilities.

Qualitative interviews are conceptualized as communicative events in which researchers and respondents are involved in a live interaction and converse information through several communicative ways and codes. This method offers an opportunity for the researcher to ask additional questions and check if all has been understood correctly. It provides access to rich information and allows the researcher to get a holistic picture of the research problem (Ghauri, 2004). Interviews enable specific issues to be explained and greatly increase the possibility of receiving the answers from the “right” respondent as well as the chance of getting a greater share of questions answered. It is easy for a survey respondent to miss some questions, which can sometimes be the

questions the researcher is most interested in, but during interviews, the researcher can ask the respondents to answer (Yeung, 1995).

Despite their usefulness, interview methods have frequently been criticized. For example, it may take a whole day or even more to reach the respondents' company, make a long interview and travel back home. Such a trip may have to be repeated soon after to make a second interview even if another case company is located nearby or if the researcher wishes to interview somebody else from the first case firm who may not available for the interview on the same day as the first respondent (Daniels & Cannice, 2004; Welch, Piekkari, Plakoyiannaki, & Paavilainen-Mäntymäki, 2010).

Since this study aims to study selected firms in depth, the researcher considered in-depth interviews through semi-structure guidelines as the main method of examining the information and understanding how firms develop and maintain their dynamic capabilities and marketing capabilities, in a way which could not be explained through numbers or statistics (Sinkovics, Penz, & Ghauri, 2005). The difficulties such as accessibility issues were resolved as some executives agreed to an interview because, for example, they saw it as a way of marketing their firms (some even provided annual reports and other additional materials to the interviewers without being asked); they wished to remain in contact with the researcher; or they would like to get some useful feedback about their firm. In addition, face-to-face interviews are the most appropriate method in an emerging market setting such as Thailand because they increase the response rate and tend to generate more valid information than a traditional survey (Gao, Zhou, & Yim, 2007; Kemper et al., 2011).

Although initial identification of the research question and possible concepts is helpful as can be seen in the pilot study, it is also important to know that both are tentative in exploratory research. No concept is guaranteed a place in the resulting theory, no matter how well it is measured. In addition, the research questions may shift during the research. As a result, after the pilot study, Table 3.5 is the in-depth interview guideline used in this study for interviewing the respondents from five case firms. Some questions were removed, and more questions were added to create the most effective interview guide in this stage.

Table 3.5 Semi structured in-depth interview guide

Interview Questions

For firms with international marketing activities, the interviewer asked for both Thai and international contexts

1. Macro Environment
1.1 What is the status of your business and the industry? 1.2 What has been happening in the past couple of years in your business? 1.3 What do you expect in the near future? 1.4 Could you please tell me a specific project that you are working on?
2. Market Intelligence, Dynamic Marketing Capabilities
2.1. How do you generate information? (Jaworski & Kohli, 1993) 2.2 What kind of opportunity are you interested in? 2.3 How do you scan the environment to identify new business opportunities? (Pavlou & Sawy, 2011)
3. Intelligence Dissemination, Dynamic Marketing Capabilities
3.1 How do you share and disseminate information and knowledge in the organization? (Jaworski & Kohli, 1993; Pavlou & Sawy, 2011) 3.2.-3.3 for MNEs 3.2 What is the relationship between headquarters and subsidiaries? 3.3 How do you share information? 3.4 Does the whole organization know when something important happens in the market? (Jaworski & Kohli, 1993) 3.5 How do you/the organization make the rest of the organization become more adaptive? 3.6 Do you spend time discussing the market with other departments? (Jaworski & Kohli, 1993)
4. Responsiveness, Dynamic Marketing Capabilities
4.2 How do you react to the market? (Specify certain examples to all respondents from the same case)
5. Dynamic Marketing Capabilities Development and Maintenance
5.1 How do you develop capabilities to support your market orientation strategy?

Table 3.5 Semi structured in-depth interview guide (cont.)

5. Dynamic Marketing Capabilities Development and Maintenance
5.2 How do you maintain these capabilities? 5.3 How do you benchmark your marketing capabilities with your main rivals? (Morgan et al., 2009) 5.4 How do business strategy, organizational structure, and market information processing impact on your capabilities development? (Vorhies, 1998) 5.5 Do people in your firm repeatedly apply their knowledge and skills to solve marketing problems? (Slater & Narver, 1995)
6. End up
6.1 From your perspective, how do dynamic marketing capabilities help your firm? 6.2 From your perspective, what are the factors that influence dynamic marketing capabilities development and maintenance to support your firm to stay market-oriented over time? 6.3 What do you think about the term 'market orientation'? How would you define it? (Respondent's definition) (Kohli & Jaworski, 1990)

Secondary data

The secondary data gathered for this study are comprised of historical documents, company records, and media sources such as business magazine reports, annual reports, business plans, and internal documents. This study plans to crosscheck the interviews with these secondary data and observation field notes (Evers, Andersson, & Martin, 2012; Ghauri & Grønhaug, 2005).

These data sources offer certain advantages for researchers as they are (Hancock & Algozzine, 2016): 1) stable and can be reviewed repeatedly; 2) unobtrusive (not created as a result of the case study); 3) specific (can contain the exact names, references, and details of an event); 4) broad (can cover a long period of time, many events, and many settings); 5) useful (doing research in a firm will be facilitated by the fact that other departments/sections of the organization might have the information needed to answer the question at hand). However, there are also certain drawbacks in terms of: 1) retrievability (can be tough to find); 2) bias-selectivity (the collection may be inadequate); 3) reporting bias (reflects (unknown) bias of any given document's

researcher); 4) access (may be purposely pending); 5) trustworthiness (firms are aiming to impress and persuade the customer, which means that the researcher needs to question the information before passing judgment); and 6) accuracy (one problem with correctness is that researchers have to understand the purpose of the data collection for the source they are using, so to solve this issue researchers will make a certain checks) (Ghauri & Grønhaug, 2010; R. K. Yin, 2017).

Observation

Since a case study takes place in the real-world setting of the case, it also creates the opportunity for observations. Such observations serve as yet another source of evidence for conducting case study research (R. K. Yin, 2017). Likewise, participation in informal meetings is considered important, especially to be able to understand the organization's culture (Chirico & Nordqvist, 2010).

Participant observation in the firm gives extra insights into the lived experience of the employees engaged in an everyday activity (Gebhardt et al., 2006). This method is a special mode of observation in which the researcher is not merely a passive observer. Instead, the researcher may assume a variety of roles within fieldwork circumstances and may actually participate in the actions being studied. Researchers can systematically seek to capture and record in some way the acts of a particular group of people and then analyze these activities rigorously for some exact purpose (Belk et al., 2012). Observation also offers certain unusual opportunities for collecting case study data, including: 1) the ability to gain access to events or groups that are otherwise unreachable to a study, 2) the ability to observe reality from the view of someone "inside" a case rather than external to it, and 3) the ability to manipulate minor events that would not be possible by other methods. Despite the usefulness stated above, participant observation also comes with drawbacks regarding: 1) time (this method is certainly time-consuming), 2) selectivity (broad coverage is difficult without a team of observers), 3) reflexivity (actions may proceed differently because they are being observed), 4) cost (hours of time are needed by the observers) and 5) bias due to participation (possible manipulation of events by the observers) (R. K. Yin, 2017).

Number of cases

There is no agreement on how many cases we should conduct. However, it has been stated that the strengths of case studies is that generalizations can be made even from only one case (Miles & Huberman, 1994).

3.8 Pattern matching

The data will be analyzed using the pattern matching method (Miles & Huberman, 1994; R. K. Yin, 2017).The interview data will be integrated with information from secondary sources to triangulate the data. Case descriptions will be written to maintain the independence and the replication logic. Guided by the initial theoretical framework, the researcher will code and analyze each case description individually and then in comparison. What this study expects to see is that some results will be consistent with the initial theoretical framework, and new observations and insights will emerge. Whenever a new insight emerges, the researcher will always go back to the theoretical framework to read more literature. This way helps to code successively the new observations into themes and expand our original theoretical framework. This is the systematic interplay between theory and data. It is "developed together in an iterative process" which can be a strength as it allows for theory development which is grounded in empirical evidence (F. Kohlbacher, 2006).

The analysis began in July 2016 after the first interview by developing case profiles. The summaries of the interview transcripts, and the secondary data were written, which together provided ‘thick’ explanations of the firms' dynamic marketing capability activities. The researcher will code and analyze the interviews with respect to the impact of the dynamic marketing capabilities on the firms. In addition, the researcher will explore how they develop and maintain dynamic marketing capabilities in their organization to stay market-oriented over time by reading and rereading our summaries and transcripts, as this will assist the study to identify similarities and differences across cases (Miles & Huberman, 1994).

3.9 Coding procedure

A Coding Procedure is created to read a set of field notes, transcribe or synthesize them, and divide them meaningfully while keeping the relation between the parts intact. Coding involves how the researcher differentiate and pools the data retrieved, and the reflections the researcher makes about these data. Following the standard practice of qualitative inquiry, the researcher will code the data from five cases iteratively, looking for common themes across case firms and refining those themes on the basis of further fieldwork and ongoing discussion (Miles & Huberman, 1994).

Codes are tags or labels for conveying pieces of meaning to the descriptive or inferential information accumulated during a study. A code in a qualitative inquiry is most often a word or short phrase that representatively assigns a summative salient, essence capturing, and/or redolent attribute to a portion of language-based or visual data. The data in this study are comprised of interview transcripts, company reports, media resources and field notes. They can take the form of a direct category label or a more complex one (Miles & Huberman, 1994; Saldaña, 2015).

According to Ghauri and Grønhaug (2005) , creating a code book is a vital step in the coding process. Hence, this study developed the codebook for this study by using pattern matching to analyze and relate data to the theoretical background. The nodes were created from existing literature, the list of research questions, and the key themes that we brought to this study (Miles & Huberman, 1994; Saldaña, 2015). After coding, the researchers got the codes and nodes before moving on to the step of pattern coding procedure, which is a way of grouping those summaries into a smaller number of sets, themes, or concepts. According to Miles and Huberman (1994, p. 69) for qualitative analysis, pattern coding has four key functions: 1) it reduces a large amount of data into a smaller number of analytical units; 2) it brings the researcher into the analysis during the data collection phase so that later fieldwork can be more focused; 3) it helps the researcher to elaborate a cognitive map, an evolving, more integrated schema for understanding local incidents and interactions; and 4) for multi-case studies, it lays the groundwork for cross-case analysis by surfacing common themes and directional processes. Tables 3.6-3.8 are codebooks developed from existing market orientation, dynamic capabilities, and dynamic marketing capabilities studies.

Table 3.6 Codebook-market orientation

Code No.	Code Label	Sub Code No.	Sub Code Label	Reference
MO	Intelligence Generation	Customer meetings	Meet customers at least once a year to find out what products or services they will need in the future	Jaworski & Kohli (1993)
		Interaction with customers	Individuals from the manufacturing department interact directly with customers to learn how to serve them better	Jaworski & Kohli (1993)
		In-house market research	Conduct in-house market research	Jaworski& Kohli (1993)
		Detecting changes	Detect changes in customers' product preferences	Jaworski & Kohli (1993)
		Poll	Poll end users to assess the quality of the products and services	Jaworski & Kohli (1993)
		Survey	Survey with influencer (e.g. retailers, distributors)	Jaworski & Kohli (1993)
		Industry Info	Collect industry information through informal means (e.g. lunch with industry friends, talks with trade partners)	Jaworski & Kohli (1993)
		Competitors	Intelligence on competitors is generated independently by several departments	Jaworski & Kohli (1993)
		Detecting shifts in industry	Detect shifts in industry (e.g., competition, technology, regulation)	Jaworski & Kohli (1993)

Table 3.6 Codebook-market orientation (cont.)

Code No.	Code Label	Sub Code No.	Sub Code Label	Reference
		Review of the effect of changes	Periodically review the likely effect of changes in our business environment (e.g., regulation) on customers	Jaworski & Kohli (1993)
MO ID	Intelligence Dissemination	Hall Talk	A lot of informal hall talk in the business unit concerns competitors' tactics or strategies	Jaworski & Kohli (1993)
		Interdepartmental meetings	Hold interdepartmental meetings at least once a quarter to discuss market trends and developments	Jaworski & Kohli (1993)
		Discussions on customers' future needs	Marketing personnel in the business unit spend time discussing customers' future needs with other functional departments	Jaworski & Kohli (1993)
		Document sharing	Business unit periodically circulates documents that provide information on customers	Jaworski & Kohli (1993)
		Whole BU Detect Changes	When something important happens to a major customer or market, the whole business unit knows about it within a short period	Jaworski & Kohli (1993)

Table 3.6 Codebook-market orientation (cont.)

Code No.	Code Label	Sub Code No.	Sub Code Label	Reference
		All level Dissemination	Data on customer satisfaction are disseminated at all levels in the business unit on a regular basis	Jaworski & Kohli (1993)
		Mkt&Manu communication	There is communication between marketing and manufacturing departments concerning market developments	Jaworski & Kohli (1993)
		Info Alert	When one department finds out something important about competitors, it will alert other departments	Jaworski & Kohli (1993)
MO RP RD	Response Design	Price change	Respond to competitor by changing the price	Jaworski & Kohli (1993)
		Market Segmentation	Principles of market orientation drive new product development efforts	Jaworski & Kohli (1993)
		Never Ignore changes	Never ignore changes	Jaworski & Kohli (1993)
		Review of development efforts	Periodically review product development efforts to ensure that they	Jaworski & Kohli (1993)

Table 3.6 Codebook-market orientation (cont.)

Code No.	Code Label	Sub Code No.	Sub Code Label	Reference
			are in line with what customers want	
		Marketing research	Business plans are driven more by market research than by technological advances	Jaworski & Kohli (1993)
		Several department responses together	Several departments get together periodically to plan a response to changes taking place in our business environment.	Jaworski & Kohli (1993)
		Market needs	The product lines depend more on market needs	Jaworski & Kohli (1993)
MO RP RI	Response Implementation	Immediate response to competitors	Respond to competitors immediately	Jaworski & Kohli (1993)
		Good coordination	The activities of the different departments are well coordinated	Jaworski & Kohli (1993)
		Response to complaints	Respond to customers' complaints	Jaworski & Kohli (1993)
		Timely implementation	Implement marketing plan in a timely fashion	
		RI5 Quick response on price	Quick to respond to significant changes in terms of price	Jaworski & Kohli (1993)

Table 3.6 Codebook-market orientation (cont.)

Code No.	Code Label	Sub Code No.	Sub Code Label	Reference
		RI6 Immediate corrective action	When customers are unhappy with the quality of the service, the firm takes corrective action immediately	Jaworski & Kohli (1993)
		RI7 Product modification recommended by customers	All departments involved in making a concerted effort to modify a product or service when customers want	Jaworski & Kohli (1993)
Top EM	Top Management Emphasis	Encouragement	Top managers repeatedly tell employees that the firm's survival depends on its adapting to market trends	Jaworski & Kohli (1993)
		Sensitivity	Top managers often tell employees to be sensitive to the activities of competitors	Jaworski & Kohli (1993)
		Gear up to meet customers' future needs	Top managers continually tell people in the organization that they must gear up now to meet customers' future needs	Jaworski & Kohli (1993)
		Serving customers	Serving customers is the most important thing our firm does	Jaworski & Kohli (1993)

Table 3.7 Codebook-dynamic capabilities

Dynamic Capabilities				
Code No.	**Code Label**	**Sub Code No.**	**Sub Code Label**	**Reference**
Sensing capability	The ability to gather new market intelligence to detect threats and opportunities			Teece et al. (1997)
Learning capability	The ability to use new market intelligence in creating new knowledge			Teece et al. (1997)
Integrating capability	The ability to embed new knowledge in operational capabilities			Teece et al. (1997)
Coordinating capability	The ability to deploy tasks, resources and activities in the new operational capabilities.			Teece et al. (1997)
DMCs Criteria	The marketing area has a strong			Barrales-Molina et al. (2014)

Table 3.8 Codebook-dynamic marketing capabilities

Code No.	Code Label	Sub Code No.	Sub Code Label	Reference
	influence on this construct.			
	Market knowledge is a fundamental 'raw material' in developing this construct.			Barrales-Molina et al. (2014)
	This construct is a tool to help absorb market knowledge.			Barrales-Molina et al. (2014)
	This construct is a tool to help disseminate market knowledge within the organization.			Barrales-Molina et al. (2014)
	This construct implies inter-functional coordination within the organization.			Barrales-Molina et al. (2014)

3.10 Validity

A key subject of designing case study research is the maximization of conditions related to design quality, i.e. the standards for judging the quality of research designs, reliability, validity, and objectivity are central concerns for qualitative researchers (F. Kohlbacher, 2006; Sinkovics et al., 2005). The underlying issue here is whether the process of the study is reliable and reasonably stable over time and across researchers and methods (Miles & Huberman, 1994).

Indeed, multiple cases can both amplify external validity and help to claim against observer bias. They are used for advancing theory generation; providing replication; confirming, refining or contradicting the findings of the first case; and exploring whether they could be expanded to different situations. Hence, to ensure a good match between observations and the theoretical ideas developed (i.e. internal validity), this study relies on two techniques: respondent validation and triangulation. (Bell & Bryman, 2007). The researcher will submit the research findings to the respondents to ensure that there is a good correspondence between the findings and the research participants' perspectives.

Additionally, triangulation will be applied by collecting various sources of evidence to improve the quality of the study. Triangulation is the combination of methods in the study of the same phenomenon. It increases the accuracy of judgments and results by collecting data from different methods. The main advantage of triangulation is that it can create a more complete, holistic, and thick description of the object under study. Triangulation is particularly important for case study research since the researcher needs to check and validate the information received from various sources (Ghauri & Grønhaug, 2005; F. Kohlbacher, 2006; Woodside, Ko, & Huan, 2012; R. K. Yin, 2017). In this study, all interviews were recorded and fully transcribed.

3.10.1 Enhancing the trustworthiness of the study

This study coped with validity issues by following the recommendations of Sinkovics et al. (2008). Table 3.9 demonstrates the approaches this study applied to ensure the validity of the study. The first column shows the possible biases, namely construct bias, method bias, and stimulus bias, that may occur during each stage of the research process. The second column of the table indicates the standard stages in a

research process, namely problem definition, data collection, data preparation, and data analysis. Columns three to six emphasize the standards and patterns which it is essential to address in order to increase quality. By making the analytic logic transparent and addressing the issues listed in the research report, this study greatly increases the research outcomes and validity of its findings.

Table 3.9 Enhancing the trustworthiness of qualitative interview-based research adopted

Biases	Standards Stages	Credibility/ Validity	Dependability/ Reliability	Transferability/ Generalizability	Conformability/ Objectivity
Construct Bias	**Getting started stage** • Theoretical Basis • Literature Review • Problem Definition	• Build on established theory	N/A	• Functional and Conceptual equivalence • Equivalence of research topic	Alertness to and coherence of background assumptions • Theory, construct • "Leading" literature • Problem over-represented • Definition of behaviors
Method Bias	**Research Design**	• Build on established theory • Build on and extend proven research design	**52 Respondents in total Pilot Study Phrase***:* Obtained 13 respondents from 12 firms **Data Collection Phrase***:* Obtained 39 respondents from 5 case firms	Focus more on analytical generalization rather than quantitative generalization.	**Respondents feedback**

Table 3.9 Enhancing the trustworthiness of qualitative interview-based research adopted (cont.)

Biases	Standards Stages	Credibility/ Validity	Dependability/ Reliability	Transferability/ Generalizability	Conformability/ Objectivity
	Sample and Context	**Sampling Parameter** • Confirm and disconfirm responses and contexts	**Evidence** of a committed study (e.g. number of interviews)	**Analytic generalizability** (Ecological validity)	• Ethics*:* the way participants were treated in general • Communication with participants • Encounters with respondents
	Data Collection and Data Preparation	**Construct validity*:*** • Use multiple sources of evidence: Interviewees' comments, researchers' observations, documents • Triangulation Establish "chain of evidence": documentation, archival records, interviews, direct observations, participant- observation, and physical artifacts	• Description • Use protocol to ensure repeatability	**Equivalence** of • Methods (training in interview situation) • Units (selection of companies and managers) • Administration through training sessions	• Researcher participated but is still detached enough to make good observations • Data collection and analysis occur in alternating sequences (analysis drives collection) • Interpretation*:* what was said – what was meant

Table 3.9 Enhancing the trustworthiness of qualitative interview-based research adopted (cont.)

Biases	Standards Stages	Credibility/ Validity	Dependability/ Reliability	Transferability/ Generalizability	Conformability/ Objectivity
Stimulus Bias	**Data Analysis** Pattern Matching	**Internal validity*:*** • Accuracy, completeness • Search for negative incidents • Check for plausibility of rival hypotheses	• Application of formalized steps of organizing, coding, searching and modeling	• **Equivalence** of data by following a common coding scheme •Description allows replication	**Conformability*:*** • Participants should react to data and interpretation of researcher
	Discussion	**External validity, transferability, applicability*:*** • How generalizable are the findings to another setting of people. • Establish a domain to which the study's findings can be generalized	Research report is logical, transparent and consistent - Back translation to invite replication and chain of evidence	Comparison with conflicting and similar literature	**Truth*:*** • Accuracy of particular findings

Regarding credibility and confirmability, this study drew from established theories and key literature in the field of marketing and strategic management. In order to aid the evaluation of the empirical findings and credibility and conformability of the qualitative study, this study follows the direction of Strauss and Corbin (1998) in order to create valid data interpretation. It concentrates on textual data, which were collected through semi-structured interviews, observations, and company information. The firms were selected based on the case sampling parameter adopted from (Miles & Huberman, 1994). External validity was addressed by contrasting respondents' answers from different firms. To ensure functional and conceptual equivalence, this study tested the interview guidelines by interviewing key respondents from each firm to establish construct validity.

With respect to the data collection, this study standardized the process in a way that ensured equivalence to the research methods, units and administration. The respondents were recruited from top to middle management positions with responsibility for strategic marketing management. To guarantee dependability, all interviews were translated from Thai to English and were then back translated from English to Thai, as the researcher is a native speaker of the Thai language as well as completely fluent in English. The equality issues were distributed before the data collection phase and while translating the questions and answers. The data were crosschecked with the secondary reports, media sources, and company reports (Sinkovics et al., 2005). Three tactics were applied to guarantee construct validity: multiple sources of evidence, chain of evidence, and feedback to key respondents (R. K. Yin, 2017).

3.10.2 Quality check protocol to ensure conformability of the study

This research conducted the quality check protocol by revisiting firms after the cases have been written to verify the conformability of the findings. This important step to verify all results was conducted during August to November 2018 after the cases are written. As firms' representatives should be able to react to data and interpretation of researcher (Sinkovics et al., 2008).This review process plays an important role in enhancing and ensuring the quality of the final results. The researcher allows comments on the findings then evaluate the accuracy of overall findings as well as a casual

network. Therefore, the corrections made through this process enhance the accuracy of the case study, hence increasing the construct validity of the study. The likelihood of falsely reporting an event or of misrepresenting a relativist perspective should be reduced. Indeed, when difference persist, the procedure should help to identify the various perspectives, which can be represented in the case studies (Miles & Huberman, 1994). Some constrains are expected as respondents use the review cycle as an opportunity to begin a fresh dialogue about various facets of the case, thereby extending the review period. Nevertheless, when the process has been given careful attention, the potential result is the production of a high quality case study (R. K. Yin, 2017).

The quality check protocol was conducted through the review cycle recommended by Miles and Huberman (1994). The case was sent to key respondents of each case firm one week before the interview appointments to review in order to provide a detailed feedback. The researcher revisited the firms several times to get more respondents and feedbacks until the data is saturated. At the end of the quality check protocol, the total interview was fourteen interviews with two written feedback emails. The main feedbacks after manager read the cases were revealed in the case updates as each case firms have continually developed their dynamic marketing capabilities overtime. Respondents found the cases are beneficial for their strategic planning, knowledge sharing, and the operational application. There were few corrections in Srithai, WORLDFOODS, and Tesco Lotus cases. For example, the role of R&D officer in Srithai case which was missed during the data collection. Surapon Foods and WORLDFOODS respondents also gave deeper explanations in reported statement, which made the findings more validated. The key quality check question such as the casual networks checking was valuable to the accuracy of the case reports. For instance, the respondents from Tesco Lotus helped checking the relationship arrows by explaining how it should be. Remarkably, there were few disagreements occurred in sensitive findings occurred, which the researcher was required to take a careful consideration to revise the case without prejudices and harm. This disagreement issue was solved by following the ethical polices of the Ethical Review Board (IRB), Mahidol University, based in Institute for Population and Social research Mahidol University as well. Table 3.10 is the quality check protocol interview guide used to ensure the validity of the research.

Table 3.10 Quality check interview guide adopted

1. Overall report of the findings
1.1 Your reactions to the case you have read can be much help validating the findings. You can provide me with more confidence in the conclusions, and can show where the explanations are partial or mistaken, and need to be revised for more accuracy. Remember, I am asking you to think back to the way things were last time we met. 1.2 Looking at the overall report, what errors of fact do you see, as of last time? 1.3 What differences in interpretation do you have?
2. Accuracy of the Casual Networks
2.1. Now looking at the framework. Generally speaking, how accurate do you consider the network to be, as of last interview? Please say a little about what you think so. 2.2 Are there any important elements missing? List them here, and/or draw them on the chart 2.3 Looking at the specific boxes I have used, are any of them unimportant? 2.4 Looking at the arrows between boxes, do you think they are accurate?
3. Conclusion
3.1 Is the discussion of findings accurate from your point of view? 3.2. What revisions would you suggest to make it more accurate? 3.3 If you want to write any comments in the report that would show your explanations of why things happened as they did, please feel free to do so.

Source: Miles and Huberman (1994)

3.10.3 Data saturation

During the data analysis and quality check protocol, the respondents cling to their own perspective and disagree with the conclusions and interpretations. They have an opportunity to challenge the study findings. Some disagreement emerge during the formal review process, hence, the researcher have to regard the case study report as being unfinished until disagreement has been settled through a search for further evidence, as respondents may remember new materials that they had forgotten during

the initial data collection period (R. K. Yin, 2017). To reach the stage of data saturation, this research collected the data from multiples resources until it was able to provide clear and validated answers toward research questions. Table 3.11 summarizes a number of multiple data sources this research included in the in-depth analysis to provide the validated findings.

Table 3.11 Total number of data sources

Cases	**Srithai**	**Srichand**	**Surapon Foods**	**WORLDFOODS**	**Tesco**	**Total**
Number of Respondent	9	11	6	6	8	40
Number of Interview	14	16	8	7	11	56
Written Feedback items	-	-	1	1	-	2
Field Photos	2	2	-	-	-	4
Media Source	2	6	3	5	3	19
Firm's Documents	6	1	-	-	-	7
Secondary Sources	1	-	1	-	-	2

CHAPTER IV
FINDINGS AND DISCUSSION

This chapter includes five in-depth case studies together with a cross case analysis and a theoretical discussion. Sections 4.1 to 4.5 present the individual cases, which provide rich information regarding intensive profiles, in-depth analysis and validated findings drawn from interviews with the respondents, multiple sources to triangulate the data, and the quality check protocol followed by the theoretical discussion. Section 4.6 shows the cross-case findings, where the researcher analyzes all of the cases to find the commonalties and differences among them and to identify solid findings on how these firms develop and maintain dynamic marketing capabilities to stay market-oriented over time. In addition, the cross-case findings are also analyzed in terms of their interaction with the findings from the pilot study. Lastly, section 4.7 provides a cross-case theoretical discussion, research propositions, and dynamic marketing capabilities development framework that could be beneficial for future studies.

As this study aims at understanding the complex phenomenon of how firms develop and maintain dynamic marketing capabilities, the findings in this chapter are drawn from multiple resources and the triangulation method is applied to reduce the likelihood of misinterpretation. For example, when planning the interviews, the researcher made a special effort to include multiple view points of the dataset by talking with managers from different teams and locations. In the case of WORLDFOODS, partner firms in both Thailand and Malaysia were interviewed. Also, in the Srithai and Srichand cases, the researcher was able to access respondents from both the headquarters and factories. As a result, it was possible to compare data between interviewees within the same firms, between different firms, and in comparison, with the data from other resources.

According to Ghauri and Firth (2009) “Interpreting and analyzing qualitative data is perhaps the most difficult and time-consuming task.” To overcome

this challenge, systematic comparison is applied to explore the relationships between different factors found from this study's 493 pages of transcripts and other resources, e.g. social media, company reports, field observations, and data from the Stock Exchange of Thailand (Ghauri, 2004). This is also called a replication strategy (Eisenhardt, 1989). It is also worth noting that in qualitative research, trustworthiness and authenticity rather than reliability are the main issues. Authenticity means understanding people's actual experiences. Therefore, the researcher analyzed the data right after the interviews.

In addition, the researcher conducted fourteen quality check interviews and received written feedback from individual case firms' representatives during August to November 2018 to ensure the validity and reliability of the cases. The respondents received the findings from the case a week before the interview sessions. During the quality check protocol, the researcher gained useful feedback and new insights before integrating that feedback into the case findings. By conducting a quality check protocol, this research has ensured the trustworthiness of the findings as suggested by a number of qualitative experts (Sinkovics et al., 2008).

4.1 Case 1: Srithai Superware Public Company Limited (Srithai)

4.1.1 Profile

Founded in 1963 by Mr. Sumit Lertsumitkul as a manufacturer and distributor of household plastic ware, the firm was renamed in 1972 to "Srithai Superware Limited Partnership" and the executive team was reorganized. At that time, the factory manager Sanan Angubolkul added melamine tableware as a new product line. As the firm was growing, Srithai entered the Stock Exchange of Thailand (SET) in 1991, and transformed into a public company limited in 1993. In 2005, the board of directors appointed Mr. Sanan Angubolkul as president of the firm replacing the late chairman who had passed away. Over five decades, Srithai has grown from serving the domestic market to supplying international markets. A major change took place in 2015, when the firm rebranded and designed its logos to accommodate a more modern, recognizable, and international corporate image (Srithai Super Ware Official Website,

2018). In the same year, the Stock Exchange of Thailand (SET) reclassified the firm from the "Home & Office Products" sector under the "Consumer Products" industry group to the "Packaging" sector under the "Industrials" industry group. The purpose of this reclassification was to provide better clarity for investors as well as to be appropriate to the firm's core businesses, products and revenue streams.

The vision of Srithai is "To be the world's largest manufacturer of melamine tableware and ASEAN's leading manufacturer in the plastic injection business." The company's mission is 1) to create a learning and knowledge-sharing environment for the beneficial development of its human capital; 2) to develop and enhance work skills, competency, and competitiveness to accommodate Srithai's value chain; 3) to conduct business with ethical standards and principles of good corporate governance; and 4) to develop the organization's efficiency and extend its long-term contributions to society to create social capital.

4.1.2 Main strategies

From almost five decades of business operations, the firm has achieved continued growth and revenues with stable financial status and performance. This positive performance stems from the firm's continuous expansion of its food and beverage products, which represent a product group with a high market demand. Srithai has also adapted its business and strategies relating to the manufacturing and marketing of its core businesses, namely, industrial products and household products. This has effectively reduced any adverse impact from the local and global economies and has also been successful in expanding the firm's manufacturing into overseas markets. In particular, its subsidiaries in Vietnam and India have contributed to the continued growth of its business and revenues.

Overall, the performance of the export team achieved stead growth between 2015 and 2016. However, there was a drop in 2017 due to a crisis in the Middle East and East Asia and the subsequent loss of an opportunity to work on a premium project. Table 4.1 shows the total revenue of the international market section provided by Srithai's export director.

Table 4.1 Srithai's total revenues of the international market section

Year	Revenue (Million THB)
2015	2,104
2016	2,257
2017	2,024

Source: Internal source provided by the firm (2018)

To triangulate the data, Table 4.2 shows Srithai's revenues from 2014 to 2018 according to The Stock Exchange of Thailand (SET). The firm's revenues and business continued to grow with stability and sustainability between 2014 and 2015 through the following strategies: 1) placing importance on investment to expand the business and manufacturing capacity with products that are in great demand in the market as well as having a high growth potential in domestic and overseas markets especially in the ASEAN countries; 2) enhancing production efficiency; 3) improving product quality; 4) responding to the needs of customers based on environmentally friendly manufacturing processes; and 5) ensuring effective management in accordance with the principles of good corporate governance and of social responsibility. Because of its responses to changes in the market, both local and international, Srithai has proved to be a real player in the business world and leading supplier of products trusted by consumers worldwide. The firm offers products with quality that global users can trust. Melamine tableware is a well-known brand in the global market. However, 2016 was a year when Srithai faced a number of constraints in East Asia and the Middle East, which caused a drop in the firm's overall performance. Thus, this data from SET is aligned with the data provided by the respondents.

Table 4.2 Srithai's revenues during 2014–2018 according to the stock exchange of Thailand (SET)

Year	Revenue (Million THB)
2014	9,924.83
2015	9,950.75
2016	9,448.51

Table 4.2 Srithai's revenues during 2014–2018 according to the stock exchange of Thailand (SET) (cont.)

Year	Revenue (Million THB)
2017	9,689.48
2018 (1st Quarter)	2,433.53

Srithai domestic market expansion

The domestic market classifies businesses into four groups. The first group is known as "HORECA", which stands for hotels, restaurants and catering. This refers to a sector of the food service industry, especially the preparation and serving of food and beverages. The HORECA business has grown in both domestic and export markets. In the domestic market, Srithai operates this group under the Ektra brand, which is a very popular brand often used at banquets, especially by hotels and restaurants as well as cruise ships. Ektra's specialized design, functionality, high quality and durability make it the best choice for these types of customers. The second group is "Favorite Characters". Srithai holds the licenses to produce and distribute the most popular cartoon characters among kids and teenagers including Hello Kitty, My Melody, Doraemon, Mickey Mouse, Winnie the Pooh and many others. These products are available at leading department stores in Thailand. Figure 4.1 is a photo from a market observation that reflects the focus on Modern Trade for its domestic expansion. This group of products is popular among local urban families with kids, who normally spend their free time at the shopping mall. The third group of businesses is "Direct Sales" which has actually been running for over 40 years ago. Srithai Direct Sales started a marketing network that focuses on creating independent entrepreneurs who use "Superware" Melamine as its core product. Srithai Direct Sales continues to focus its development on three core areas comprising 1) products, 2) human capital, and 3) business image in order to fulfill its mission of creating solid partnerships and a sustainable organization. Figure 4.2 shows the online platform the firm uses to communicate with its partners, who are based in suburban and rural areas. The last group of business is "Potters", which started in 2012. This brand aims to cater to the young generation lifestyle with best quality products. Hence, the firm maintains a high focus on social media marketing as can be seen in Figure 4.3 . The Potters product group

focuses highly on the up-scale market. It was created with the “Passage of Joyous Time” slogan in mind. These novelty products have a vibrant, beautiful and unique design that makes them suitable for any occasion.

Figure 4.1 Market observation in the modern trade store in Bangkok

Figure 4.2 Srithai direct sales website

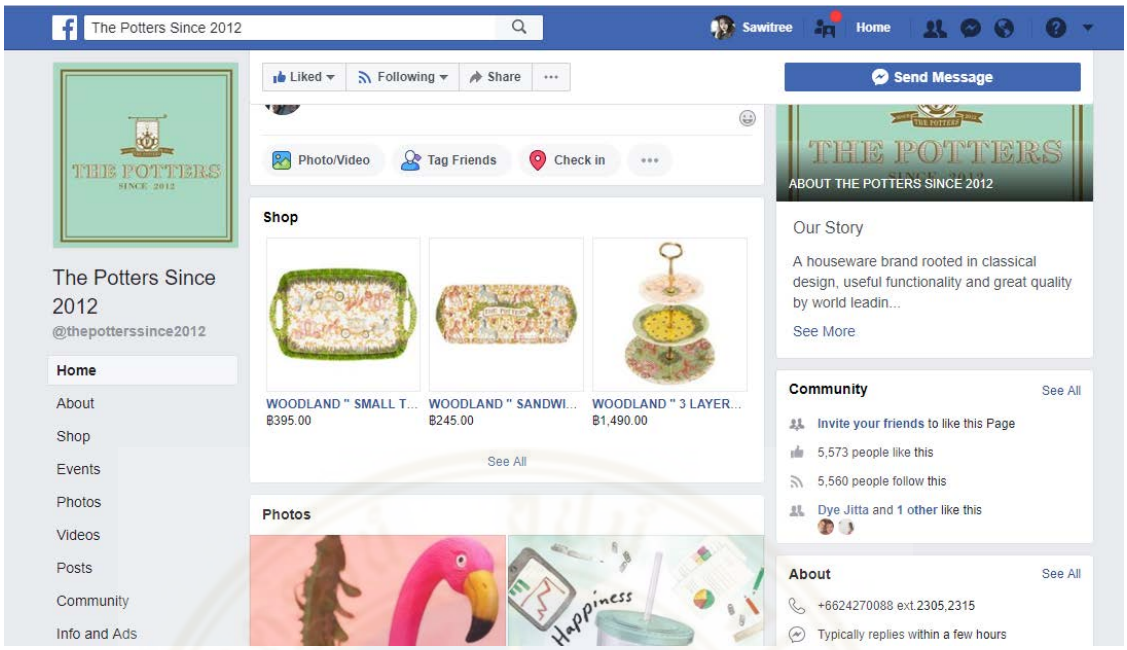

Figure 4.3 Srithai potters Facebook channel with 5,560 followers

Srithai international markets expansion

During the data collection period in 2016, Srithai was focusing on expanding rapidly in overseas markets. Srithai first began to export its products in 1978. By 2018, the firm was exporting melamine tableware to 110 countries worldwide as well as establishing overseas production bases in many countries, including China, Laos, Cambodia, Myanmar, Vietnam, Indonesia and India.

The export team classifies its business into five groups, each targeting different customers. The first group is "HORECA" Superware Melamine, which has a variety of products with a focus on innovation, creativity, and special techniques to serve the HORECA business market. The second group is "Life Style", which provides a wide range of products to meet customer needs. Under the motto, "Impossible does not exist", Srithai uses the co-creation strategy to let customers create their own designs that bring their ideas to life. The third group is Kitchenware for children aimed at reaching the young parent group. Srithai designs various kitchenware items for kids with vivid kid-friendly designs. The fourth group is "INNO FASHION" which focuses on creating innovative products to serve the rapidly changing markets. This business group invests in research and development in order to create unique and trendy shapes with new materials to meet customers' needs. Apart from the business of customer products, the

last business group is “Original Equipment Manufacturer (OEM)”, which it provides for many global brands, e.g. Disney, AEON, John Lewis, to fulfill the diverse lifestyle demands of customers from each country. Overall, Srithai has a wide range of products to meet international customers’ needs. Figure 4.4 show examples of Srithai’s Global Partners, which reflect its success in building trust with customers worldwide.

Figure 4.4 Srithai’s global partnerships

Source: Internal source provided by firm (2018)

Table 4.3 Srithai respondents

Position	ST_1 Export Director	ST_2 Domestic Marketing Manager	ST_3 Creative Director	ST_4 Deputy Export Sales	ST_5 Assistant Manager Export Sales	ST_6 Manager Account and Finance	ST_7 Manager Maintenance	ST_8 Manager Engineer	ST_9 General Manager: Srithai Outlet
Times	3	1	2	1	2	1	1	2	1
Length of Service (Data Collected in 2016)	13 years	10 years	22 years	19 years	6 years	15 years	12 years	12years	1 year

4.1.3 Findings

Srithai dynamic marketing capabilities

Dynamic international market expansion

The researcher had a chance to access the respondents participating in Srithai's international expansion. This team has divided the international market into eight zones: 1) Japan and Australia, 2) South East Asia and Hong Kong, 3) India, 4) the Middle East, 5) Europe, 6) USA, 7) Africa, and 8) Latin America. The researcher explored how Srithai manages DMCs in its international expansion activities. This case contains rich information on how the firm obtains marketing knowledge from each market and creates strategies that respond to difference markets.

Market opportunities (sensing)

Global expansion

Srithai sees more opportunities from being a leading global firm in the industry. The firm is focusing on exports as there are a number of competitors in the melamine industry, especially products from China. The export director and creative director commented on Srithai's movement toward the global market.

"Recently, we have opened factories in Vietnam and India and in a few years we will build a plant in Myanmar, and we have a plan for the future in Africa." (Export director)

"From my perspective, our future relies on exports" (Creative Director)

Ability to Identify the Organizational Challenges (Sensing)

Understanding the customers' preferences in each country is a challenge because the tableware industry is not only about the features of the product, but it is about how the designs match the customers' preferences. Respondents from the export team revealed how they respond to different customers' preferences in overseas markets by getting insights through market visits and from local consultants. Most of the preferences are related to the product design and purpose. For example, the Japanese market prefers a simple decoration or with no printing, but instead focuses more on the shape of the design to complement the food presentation. In contrast, the Middle-East market prefers colorful designs. As a result, the design team at Srithai consider learning these requirements as their highest priority.

Marketing knowledge

The export team pays a lot of attention to generating international customer insights. This knowledge is not only about knowing the environment in each market, but also about understanding the culture and customer behavior as tableware products are related to lifestyles. For example, the team prefers to launch new products in the Middle East market during the Ramadan month as this is a period when Muslims enjoy time with their families and often exchange gifts. They also use new tableware for this special occasion.

Cross-functional MKT process

The international market expansion involves collaboration from a number of departments, including the operations, finances, research and development, and creative departments. These different teams are fully engaged in responding to the international markets together with the export team. All of the respondents participating on this study mentioned the importance of weekly meetings at the factory to discuss any issues within the melamine section.

As this study aims to explore the new product development process deeply, Figure 4.5 shows the NPD process of Srithai involving cross-functional teams. The process actually starts from the export team members who conduct a market survey through their customer visits. Then they will brief the R&D and the creative teams on which new products to create and occasionally on products to co-create with the customers. After the first design is agreed with the customers, the R&D team will send the 3D design to the factory to mold up the product samples before inviting customers to come and test the samples, ready to kick off the production process. In this process, R&D plays a role in coordinating between sales, creative design, and production team members. This NPD process enhances the development of DMCs as the activities require sensing, learning, integrating, and coordinating capabilities through the process of market intelligence generation, dissemination and response implementation.

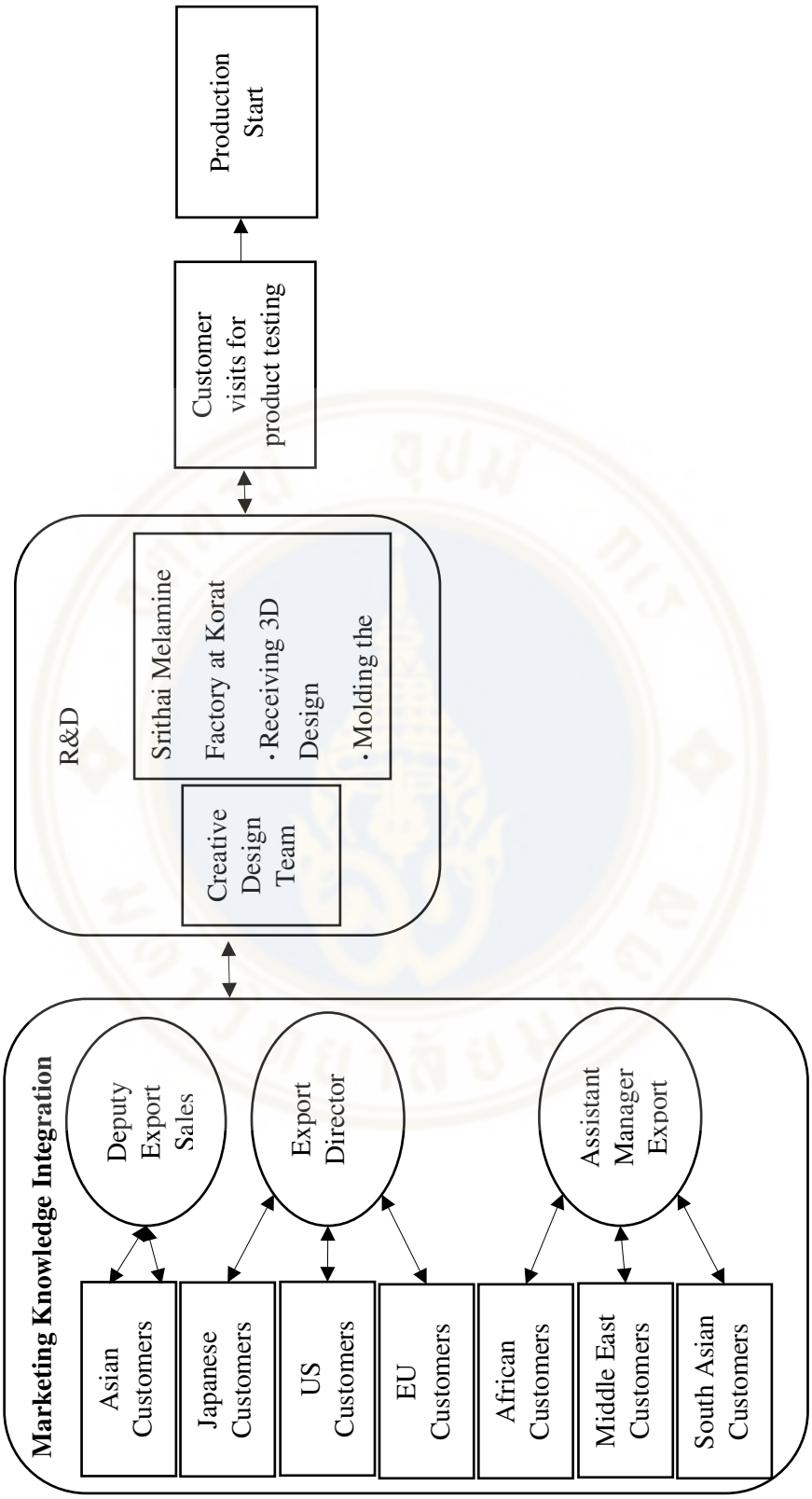

Figure 4.5 Srithai new product development process

Figure 4.6 is the Srithai Melamine Showroom at the company's headquarters in Bangkok. This showroom is used to host customers during the product testing process. This reflects the company's approach to co-creating with customers during the NPD process.

Figure 4.6 Srithai's showroom

Absorptive capacity (sensing)

Adapt to changing trends and local preferences

The export sales team is responsible for many tasks including creating the marketing plan, developing a relationship with customers in different countries, and coordinating with the design and operations teams. Sensing capability is exercised through the process of trying to get insights from different markets. It requires the team to look at the changing trends as an opportunity to update the products continuously. Hence, the dynamic market trend does not affect Srithai in a negative way. In contrast, it actually helps the company to keep updating its lines and introducing new products.

The export team members informed the researcher how they see large-scale demands from the Hotel, Restaurants, and Catering (Horeca) sector that differ from the past trends. This sector focuses more on the shape design than the print design as they use the tableware for food presentation. The main customers for this sector are located in Europe, Japan, and the USA.

Srithai DNA

As the firm has been operating its business for more than 50 years, challenges related to the generation gap are occurred within the organization. In addition, there are challenges in terms of knowledge transfer and the preparation of the next generations. The top management team (TMT) at Srithai, including the president and other senior directors, has recognized those challenges and decided to develop a program called "Srithai DNA" to identify talented employees and prepare them to be the next generation of management.

Srithai DNA aims to transfer knowledge from the previous generation to the younger generation. The program includes knowledge sharing by the president and other senior executives. The TMT executives will select those who have the potential to lead the organization in the future, most of whom are usually young. In this program, members of the TMT from each division train and develop employees by themselves, with a focus on various working techniques, providing knowledge, and developing problem-solving skills.

Figure 4.7 illustrates details of Srithai DNA in terms of the program content and the approach to selecting the candidates to participate in the program. This program is conducted every 3 years and the selected employees will be assigned to lead real projects during these 3 years. The process starts from the TMT participating in strategic planning, sensing the contents required in the program, and then developing the program. Then the head of the department will select the candidates who meet the three requirements, namely 1) being a junior manager, 2) having Grade A-B performance over the past 3 years, and 3) being aged below 45 years old. After the primary selection process, the TMT team will perform the final selection. Finally, the TMT and the selected employees participate in the Srithai DNA program together in workshops and project assignments. The program contents normally allow and foster the transfer of

knowledge, the sharing of opinions, the development of leadership skills, and the shaping of mindsets and attitudes.

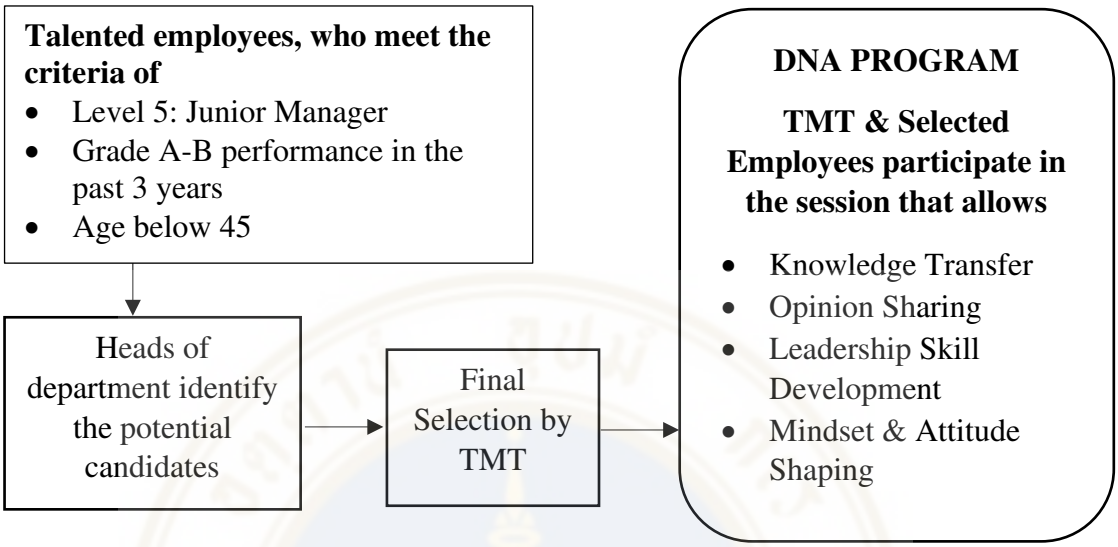

Figure 4.7 Srithai DNA

To get more in-depth evidence, the researcher asked the firm to provide additional information regarding the modules in the Srithai DNA program. Figure 4.8 is an internal document provided by Srithai's TMT showing the Build DNA Srithai (Korat) way's action plan, which includes steps, topic modules, timelines, and instructors. The steps are: 1) target the potential candidates, 2) conduct a 360-degree capabilities evaluation, 3) carry out personal development planning (For some candidates if needed), 4) work on capabilities development, and 5) conduct post-capabilities evaluation. The capabilities development in the fourth step includes eight different modules as listed below.

Module 1: Company's future direction and the importance of leaders

Module 2: Planning and monitoring

Module 3: Ethics for leaders and daily management

Module 4: Knowledge and the importance of logistics management

Module 5: Customer relationship management and service mind

Module 6: The introduction of international marketing

Module 7: Finance and non-finance

Module 8: HR and non-HR

แผนการดำเนินการโครงการ "สร้าง DNA Srithai(KORAT) Way " รุ่นที่ 1 ปี 2013

ขั้นตอนดำเนินการ	Date	2013 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	ผู้รับผิดชอบ /วิทยากร
ขั้นตอน1 กำหนดกลุ่มเป้าหมาย		OK												ดร.ชัยชาญ
ขั้นตอน2 การวัดประเมินศักยภาพ ด้วย 360	20Feb-15Mar		15 D.											HRD
ขั้นตอน3 การวางแผนพัฒนาเป็นรายบุคคล (ถ้ามี)				2 D.										ผู้บริหารโครงการ+HRD
ขั้นตอน4 การพัฒนาศักยภาพ														ดร.ชัยชาญ + Training Korat
หลักสูตรชื่อว่า "สร้าง DNA Srithai(KORAT) Way "														
Module 1 : การกำหนดทิศทางบริษัทในอนาคตและความสำคัญของผู้นำ	11-May					3 hr.								คุณสนับ อังอมลกุล
Module 2 : การกำหนดแผนงานและการติดตามงาน	22-May					3 hr.								ดร.ชัยชาญ เจริญสุข
Module 3 : จรรยาบรรณผู้นำและการบริหารงานประจำวัน	27-Jun						3 hr.							คุณประมวล ลิญโญ + คุณไพสรี หนูเจริญกล
Module 4 : ความรู้และความสำคัญของLogistics Management	18-Jul							3 hr.						อ. ดรสิทธิ์ ศิริสมภพ
Module 5 : การมัดใจลูกค้าด้วยการทำ CRM และService Mind	31-Jul							3 hr.						คุณมานิต อดิวานิชยพงศ์ ✓
Module 6 : ความรู้เบื้องต้นของ Internation Marketing	15-Aug								3 hr.					ดร.ชัยชาญ เจริญสุข
Module 7 : Finance for non-finance	30-Aug								3 hr.					คุณปริญญ์ ผลนิวาศ ✓
Module 8 : HR for non-HR	19-Sep									3 hr.				อ.บัณฑิต หิรัญวิวัฒน์กล
ขั้นตอน5 การวัดประเมินศักยภาพ หลังการพัฒนา	1-15 Nov											15 D.		HRD

Figure 4.8 Build DNA Srithai (Korat) way's action plan

As a result, Srithai builds the new generation by implanting the organizational culture and global mindset as well as by refreshing the old-generation mindsets. This program also helps in closing the gap between the top management team and the lower level managers. However, Srithai's TMT mentioned the key challenge to accomplishing the goal of Srithai DNA is that the members have different opinions. They solved this issue by developing a role model to provide clear objectives and, most importantly, allowing them to express their own ideas and opinions. As a result, this open working environment could enhance the psychological safety within the team.

Intelligence generation (sensing)

The firm values international customer visits and exhibition fairs as the main sources of marketing knowledge. The visits include 'show and share' sessions where they discuss and co-create the products with the customers. The exhibition fairs also help them to see the trends in the region because this type of event allows them to exchange marketing knowledge with other players participating at the events. Srithai has a strong relationship with the Department of International Trade Promotion (DITP), Ministry of Commerce, Thailand, which always assists them by providing international business opportunities. This government department supports Srithai by matching it with their international partners. Respondents from two departments commented on the support Srithai receives from the government agency and the benefit of market visits.

"Our primary source of information comes from the Department of International Trade Promotion. They help us promote and even organize business-matching trips for us to attend the exhibition shows." (Deputy Export Sales)

Regarding the market visits, the export team also invites the creative director to join as they consider that the creative team should get the direct marketing knowledge by visiting the market himself. The creative director stated his experience as follows.

"The export director takes me to see the working process there and we would bring some changes over. As a result, our designs have become more international." (Creative Director)

In addition, Srithai has local consultants in each country to help them stay up-to-date on the trends and regulations. By doing this, Srithai gains insightful marketing knowledge in each country as the consultants have solid experience in the tableware industry as well as their local market knowledge.

Dissemination (learning, integrating)

The cross-functional team always creates brainstorming sessions during meetings at the company's factory in the city of Korat in the northeastern region of Thailand. This promotes active communications between headquarters and the factory. The reasons beyond this initiative are to monitor the production capability and get a clear picture of every step throughout the whole process.

The results of this show that the process of market intelligence dissemination is linked to the company's learning and integrating capabilities as the firm constantly develops these capabilities to ensure all data are disseminated. These meetings involve the international marketing, domestic marketing, creative, new product development, R&D, production, and finance teams. Apart from these weekly meetings, the teams remain in regular communication with each other via phone, email, Line as the international markets require speed of response. During this process, the teams integrate the marketing knowledge into operations activities.

Responsiveness (coordinating)

All the respondents from this case firm commented on the responsive nature of the export team. The speed of response was mentioned many times during the interviews. For Srithai, the speed of response is a success factor in terms of being a global market leader.

"The marketing strategy for the export side is much more aggressive." (Creative Director)

"That is because the market has changed and that is why we have to respond to the changes fast, intensely, and rapidly." (Export director)

Compared to the domestic team, which the researcher also had a chance to interview, the export team of Srithai is a highly dynamic team. Its members are very intense, especially in terms of speed, which is their first priority. Hence, when the support teams work in the international expansion activities, they are required to enhance the responsiveness to compete in this highly competitive global market by developing learning, integrating, and coordinating capabilities. Figure 4.9 is a photo taken by the researcher during the field observations. There are four keywords displayed prominently in front of the international team office. They are STRENGTH, STRETCH, SPEED, and SYSTEM. The keyword "SPEED" reflects the team's emphasis on the fast response to the market.

Figure 4.9 Field observation at export office Srithai headquarters

Role of top management team

Since the implementation of the Srithai DNA program in 2013, the structure of the firm has become leaner than it was in the past. Representatives of the firm who participated in this research mentioned the gap between the TMT and junior management team that existed before the implementation of Srithai DNA. The closer

relationship that now exists between the TMT and middle managers is one of the beneficial results of the Srithai DNA program.

TMT's Commitment

The TMT is committed to supporting the young generation through Srithai DNA. The TMT members, including the president, play the role of a coach transferring knowledge to the younger generation. More importantly, the researcher talked closely with the different departments involved in the international market expansion, and all of the respondents stated that the leader of the export team is a highly influential person in the organization who utilizes the international marketing knowledge and brings the firm's products into one hundred and ten countries. All of the respondents informed the researcher that the export director is fully committed to his work. It motivates them to work and respond fast. The culture of the company motivates employees to learn more.

"Things started to get better with the export director vouching for us. He would guarantee others that such designs would sell. The team also helped to make it happen." (Creative Director)

Transformational leadership style

A transformational leadership style was identified from the interviews with many respondents when the researcher asked about factors influencing DMC development. One example was revealed by a member of the operations team. This respondent manages a team of maintenance staff that require motivation to deliver fast responses to international orders. The task is actually demanding, but the team leader tries to motivate the team through emotional support rather than putting pressure on them.

"We focus on moral support. We want the staff to be willing to work instead of forcing them to work." (Manager-Maintenance)

Environment and network relationship

This firm focuses on developing business relationships with both government agencies and private sector entities in order to place itself in the best position to respond to the changing environment. Srithai's president is among the business elite in Thailand; thus the firm has a strong relationship with Thailand's Ministry of Commerce as well as ambassadors in many countries. This strong network helps the firm in generating the marketing knowledge and intelligence that trigger the

sensing capability as well as in obtaining market access. In addition, the president is a Vice Chairman of the Board of Trade of Thailand, which brings exceptional opportunities to meet ambassadors and investors to discuss business insights. The insights obtained from those meetings is then shared during the TMT meetings and Srithai DNA sessions.

For example, on February 6, 2017, the Ambassador of Russia to Thailand, H.E. Mr. Kirill Barsky, received the president of Srithai and discussed possible areas of cooperation between the business communities of Russia and Thailand as well as ways of increasing mutual investments (Embassy of the Russian Federation to the Kingdom of Thailand official website, 2017). Other TMT members such as the export director also connect with many strategically important associations, e.g. the Thai National Shippers' Council, the Thai Food Processors' Association, and the Federation of Thai Industries. By doing this, it allows the TMT to obtain international marketing knowledge, which is then later shared during the Srithai DNA Program activities and the firm's daily practices.

Regarding the relationship with suppliers, Srithai conducts many projects with partner firms. These include, for example, the Value Chain Co-creation project with Siam Cement Group (SCG). Srithai, Thai MFC, and SCG Chemical work together to develop the new chemical that Srithai uses to manufacture new products. This has resulted in co-creation and value-chain creation. This requires collaboration throughout the process, based on the market knowledge they have obtained as mentioned by SCG in the promotional VDO.

"Through the process, we have obtained knowhow from Srithai Superware."(Technical Services Manager, Thai MFC, SCG Chemical)

As a result, Srithai has been able to open up new markets and obtain new clients by constantly innovating new products to maintain its leader status in the industry.

The video snapshot in Figure 4.10 below is from a presentation of the Srithai and SCG Partnership. The Export Manager is a key person leading this project. He informed the researcher that this type of project helps Srithai to generate new knowledge through sharing between the manufacturer, supplier, and customers to develop DMCs for the firm.

Figure 4.10 VDO snapshot: Srithai and SCG partnership

Source: Internal provided by firm (2018)

Moreover, relationships with local consultants and partners overseas are also important factors contributing in the dynamics of international marketing capabilities. The local consultants who work under contract with Srithai are experienced professionals with marketing knowledge in specific markets. Respondents from the export team at Srithai highlighted how the insightfulness that comes from having a local consultant in each market helps them to generate the ideas of what customers in each market really want.

Organizational culture

Trust and accountability

The export team reflects the dynamic culture that involves the trust and accountability of each team member. The TMT creates a feeling of importance for everyone. The management empowers the teams by letting their members make their own decisions, thereby increasing their willingness to contribute to the team.

Highly dynamic culture

Srithai has a highly dynamic culture with a strong cross-functional team dynamism. The TMT gave a metaphor that the team is working like a military unit by focusing on the speed of response to the markets.

Dynamic marketing capabilities development

This case study shows how Srithai develops DMCs through various means including learning during the NPD process, through the Srithai DNA program, and in the trust and accountability given by the top management team.

Develop through the process of intelligence generation

The export team mentioned that they develop their sensing capability through the process of intelligence generation since they visit international markets regularly which enables them to remain constantly updated on the latest trends and obtain new marketing knowledge that will be embedded into the NPD process.

Opportunity to learn new things enhances employees' motivation

The interviews with the operation team revealed their thankfulness for participating in the international market expansion activities. Managers at the factory said they have developed their learning, integrating, and coordinating capabilities from the dissemination and response implementation process to serve the new requirements from international customers. The speed of response in the international market expansion requires the cross-functional team to develop DMCs during the responsiveness process. This process includes the utilization of intense international marketing knowledge and coordination between the international sales and the production teams.

"It is because it's not a routine job. It is something new to us. Typically, the maintenance lasts about 20 years, so it might get boring. Therefore, if we have something new or innovative, it makes us feel motivated and we enjoy our work" (Manager-Maintenance)

Through this learning opportunity, the maintenance team contributes not only to the production process but also in delivering customer satisfaction. In addition, the engineering manager informed the researcher that the firm provides technical training for him to improve the production capability so that it is able to respond to the dynamic market.

Implanting the organizational culture and global mindset through Srithai DNA

Srithai's knowledge management program plays a crucial role in its DMC development. All respondents in this case were selected to attend the Srithai DNA

program that aims to prepare the future generation to perform in the fast-changing market. This program provides sessions for sharing the firm's marketing knowledge, vision, and strategic direction, as well as for developing the leadership skills of selected employees to lead the organization effectively in the future.

Trust and accountability

The respondents provided similar answers when the researcher asked them about how they develop their DMCs within the cross-functional teams. They shared experiences that relate to trust and accountability, which also create a sense of ownership as each team member is able to make his or her own decision in the NPD project

"The executive team put a lot of emphasis on each individual's capability in order to make each person perform to their fullest potential." (Domestic marketing manager)

"Once the employees feel like they actually own their work, they will be willing to put more effort in and perceive our organization as their own home. When that happens, everything will be faster and move towards the same direction." (Manager-Accounting and Finance)

Employees at Srithai demonstrate strong initiative and high commitment towards their organization. Those with high initiative and commitment tend to be the "doers" within a firm and are willing to push themselves to develop both individual and organizational capabilities.

As a result, all members get involved and perceive themselves as being valuable and important to the organization. This enhances the ability of Srithai's DMCs to respond collectively to the international markets.

Dynamic marketing capabilities maintenance

The findings regarding DMC maintenance reveal some interesting points about the generation gap in this organization. The international market expansion team leader pointed out that informal meetings with the young generation are necessary as the young managers still face the issue of power-distance from the senior executives.

Another way to maintain the capabilities is to be fast and aggressive with a clear action plan. According to the organization's culture of high-speed response, the team needs to develop and maintain their capabilities constantly. Indeed, the character of the export director plays a significant role in the DMC maintenance tactics.

"Another approach to maintaining capabilities is that we work like we are in the military." (Export director)

In addition, employee engagement was mentioned as a factor that helps to maintain DMCs. Srithai puts a lot of emphasis on teamwork and gives rewards to those who succeeded at work as a motivation strategy. The firm give opportunities to well-performing members to go on business trips abroad to find their inspiration.

Dynamic marketing capabilities consequences

The awards won and the number of markets accessed by this cross-functional team demonstrate the consequences of having a highly responsive team with dynamic international marketing capabilities. In 2018, Srithai exports to 110 countries. Confirmed by international market feedback and external organizations, these achievements are unquestionable evidence for the positive consequences of the organization's DMCs. However, more important consequence observed by the researcher include the company's intra-firm dynamic marketing capabilities development process, which pulls employees from different functions to respond collectively to the challenging overseas markets.

Table 4.4 Srithai's within case display

Themes emerged	Role of top management	Employees' reactions	Influences on the DMCs underlying process
Transformational leadership style with high Commitment TMT	TMT is a **very proactive, highly committed, and provides various opportunities** for employees to develop themselves.	Employees involved in the international projects **strongly admire** the TMT. They **feel close** to them.	(+) Enhances **sensing capability** as employees obtain the new MKT knowledge and opportunities from TMT e.g. Market visits, direct knowledge from TMT. (+) As influenced by TMT's commitment, employees **learn** a lot from them and from each other.

Table 4.4 Srithai's within case display (cont.)

Themes emerged	Role of top management	Employees' reactions	Influences on the DMCs underlying process
			(+) Employees are committed to **integrating** the MKT knowledge into operational activities. (+) The commitment culture in this team influences their **coordination** as can be seen from the collective response by deploying resources and capabilities in NPD activities.
Highly Dynamic Management approach	TMT commit themselves to ensuring a **high speed of response**.	Employees **enjoy** working with TMT as they can learn new things. They **look at this as an opportunity** to develop and contribute to the firm.	(+) Employees can actively **sense** the changing trends and each market's preferences. (+) Employees **learn** fast through brainstorming and active communications. (+) Dynamism triggers the **integration** knowledge of operational activities. (+) The enjoyment influences the resource

Table 4.4 Srithai's within case display (cont.)

Themes emerged	Role of top management	Employees' reactions	Influences on the DMCs underlying process
			coordination among team members.
Srithai DNA	The TMT act as a coach in this people development program. This allows TMT to **interact more closely** with employees.	Selected employees have positive reactions from this program. They feel **empowered, committed, and proud** of their contributions.	(+) Employees have a chance to sense MKT knowledge. (+) Empowerment and commitment have a positive influence on **learning.** (+) The international expansion project includes selected employees, which has a positive influence on the **integration** and **coordination** capabilities
Informal communications	TMT try to **close the gap** between the generations.	Some employees are still afraid to speak openly to their seniors.	(-) Negatively influences the **sensing and learning** as the communications gap still exists. (+) Enhances the **integrating and coordinating capacities** because of the communications flow.

Table 4.4 Srithai's within case display (cont.)

Themes emerged	Role of top management	Employees' reactions	Influences on the DMCs underlying process
Giving Trust and accountability	TMT empowers employees to make decisions.	Employees are **willing to put more effort in** as they have a sense of ownership. They are also proud of their contributions.	(+) Employees' efforts positively influence all underlying capabilities.

Srithai: quality check protocol to verify conformability

Table 4.5 Srithai quality check protocol respondents

Respondents	Motives
Export Director	Selected as the representative of the TMT and the leader of the international market expansion project.
Creative Director	Selected as he plays a crucial role in NPD and to verify the information from the cross-functional team.
Assistant Manager Export Sales	Selected as he works closely with the TMT, and has an important role in the sensing process.
Manager-Engineering	Selected as he plays a crucial role in NPD, production capability, and to verify the information from the cross-functional team.

Quality check protocol overview

This case has been reviewed by four respondents from different functions within the sales, production, and creative departments. They verified the information in the aspect of cross-functional teams. The export director made a useful comment on the NPD process and provided more information on the global partnerships of the firm. It is also worth mentioning that the Assistant Manager-Export Sales informed the

researcher that the findings are useful for his team and asked if he could share them. All respondents confirmed the project overview and DMC activities. The data stated within this case were reanalyzed according to the respondents' feedback.

Verifying casual network

The researcher showed the casual network of Srithai's NPD and Srithai DNA to the respondents during the quality check protocol. The feedback from three respondents focused on inserting the role of R&D in the network framework and adjusting the learning and integrating processes. This feedback was valuable in the revision of the results.

Increase triangulation

During the revisit, the respondents gave the researcher more sources of data including company reports, a video file about its partnerships, and internal materials of Srithai DNA. These various sources helped the researcher to triangulate the data (Miles & Huberman, 1994).

Missing data

The respondents had overlooked revealing the role of the R&D executive in the initial data collection period. To verify the accuracy of the findings, the researcher took this missing data seriously in the re-analysis process. As a result, the NPD framework was carefully revised according to the feedback.

Disagreement

No disagreement occurred during the quality check protocol.

Case update

At the time of the quality check interviews in November 2018, the export team updated the researcher that the Middle East market had become smaller than it had been in 2016. They are now focusing on expanding into the US market as they see opportunities there. Regarding the design, the export team produces more for OEM. Hence, they are able to exchange more knowledge with business clients. Importantly, in 2017, one year after the first data collection period, Srithai's Rescue Team was established on 3 November 2017.

Figure 4.11 Srithai's rescue team logo

Source: Internal provided by firm (2018)

This result-oriented team includes 32 people from all business units under the melamine sector to address every issue more quickly. Members of this team are from TMT and qualified Srithai DNA graduates (Top Score members). Figure 4.12 is the presentation slide used in the kick off meeting.

Figure 4.12 Srithai's rescue team concept

Source: Internal provided by firm (2018)

Data saturation

A total of fourteen interview sessions were conducted together with a careful analysis of various sources of data including media sources; the company's annual

reports; training materials; office, store and market visits; secondary data; informal conversations with the respondents; and finally a quality check protocol. These practices helped the researcher reach the stage of data saturation. This study is, therefore, able to answer how Srithai develops and maintains its dynamic marketing capabilities to stay market oriented over time. The frameworks and findings were verified and there were no disagreements or additional comments revealed after the quality check protocol.

4.1.4 Discussion

The organization has undergone fifty years of growing from a domestic-based firm to a multinational corporation. The findings of this case study show that the rapid international market expansion activities require the firm to develop dynamic marketing capabilities. Srithai reflects its DMCs by focusing on the new product development process and the utilization of co-creation with the clients to respond to international customers' preferences. This practice conforms with the findings of previous strategic management literatures, for example, Kohlbacher (2013) and Macpherson, Jones, and Zhang (2004), who stated that the firms with co-innovation are better able to create and sustain a competitive advantage. In this case, Srithai uses DMCs to transform its resources by integrating and coordinating cross-functionally because the members from different teams visit the markets to generate and develop their marketing knowledge. This finding is aligned with the study of Gebhardt et al. (2006) and Kaleka (2011)in that cross-functional field visits appear to be crucial for maintaining market orientation and marketing capabilities.

The key theme this study discovered is the character of the export director, who is a highly committed leader, which influences the organizational culture of the team as employees obtain the marketing knowledge from the top management. This concurs with the study of Eriksson (2014) as this person seems to be a focal point in terms of sensing, shaping, and transforming resources to develop DMCs. This character reflects an entrepreneurial orientation and top management that have a positive influence on organizational learning (Jiao et al., 2010; Macpherson et al., 2004). Jaworski and Kohli (1993) also confirm the long-standing belief that top management commitment is essential in creating this learning culture. In addition, the top management of Srithai and its partners are a source of marketing knowledge from which

employees learn to develop their product development capabilities (Evers et al., 2012; Macpherson et al., 2004). In addition, the top management team's social capital, such as their relationships with the Ministry of Commerce, ambassadors of foreign countries, and local consultants, create more opportunities for the firm's employees to learn (Bruni & Verona, 2009). This result is aligned with the study of Kemper et al. (2011) who showed the benefits of top management's networks is access to market insights. After the generation process, the marketing knowledge is shared cross-functionally and applied to the product development process. The cross-functional team's commitment enhances the trust, accountability, and psychological safety, which results in a collective responsiveness in NPD activities.

The highly dynamic management approach of the firm builds the employees up to be accountable and active learners with high DMCs to respond to changing trends, learn fast, and accordingly integrate and coordinate resources in their responses. In addition, Srithai's cross-functional team character in the DMC development process supports the arguments of Gebhardt et al. (2006) and Helfat and Peteraf (2003) that more generally, capability development entails improvement over time in carrying out the activity as a team. Furthermore, the Srithai DNA program empowers selected employees to develop the DMCs. This scheme confirms the knowledge management (KM) approach to the development of DMCs. As stated by Barrales-Molina et al. (2014) and Eriksson (2014), KM is a specific component in addition to the absorptive capability.

This study found more emerging key themes that influence DMC development and maintenance. First, Srithai DNA and the informal follow-up communications bring about closer interactions between the top management team, which in turn lead to positive outcomes with regard to DMCs for employees. This relationship between the firm and its employees can create a relational asset that may be an important input to marketing activities (Morgan, 2012). Second, the trust and accountability norm is another new theme found in this case that is complementary with the findings of previous studies. This standard creates a sense of ownership and motivates employees to develop continually and maintain their DMCs (Gaur & Delios, 2015).

4.2 Case 2: Srichand united dispensary (Srichand)

4.2.1 Profile

Since it was established in 1948, Srichand has been operating in the pharmaceutical, chemical, and cosmetics industries. The company's activities are manufacturing, marketing, and importing various types of three main product groups: 1) pharmaceutical products in liquid form, 2) chemical products under the "Srichand Professional" trademark and active pharmaceutical ingredients, and 3) cosmetics products under the "Srichand" brand.

When the Srichand CEO, Rawit Hanutsaha, decided in 2014 to re-brand the original project which had been called "Srichand Powder", marketing opportunities opened up again for the company's vintage product. Srichand Powder had been in the market since his Rawit's grandfather established the company, making Rawit the company's third generation of management. Srichand Powder was a cosmeceutical product, which means that it reduces oiliness, rashes and itchiness on the skin. The majority of the company's customers were in the Southern and Northeastern parts of Thailand.The company's old marketing strategy was only to use word-of-mouth (WOM) communication. Even though the product was still popular among its users, the size of the market began to shrink. In 2008, Rawit resigned from his corporate job and took on the family business. He believed that there were opportunities for the product in the market, so he re-started the marketing activities for Srichand Powder.

The core values of Srichand is "When Thai become coolness" with keywords such as honesty, sustainability, and happiness. The mission statement of Srichand states that: "Our company was built with the very simple aim of making the best things for the people at the most affordable price possible and keeping the proudness of being "Thai" in every element."

The current vision of the firm was revealed during the data collection process. Srichand aims to be listed in the Stock Market by 2020.

"We might have started off as a small company but I strongly believe that we will grow at an exponential rate and be a key regional player in the years to come. To prove our determination, we are working on having our company listed on the Stock Exchange of Thailand before 2020" said Srichand's CEO.

Regarding the firm's performance, Table 4.6 shows Srichand's revenues during the period from 2014 (The year when the rebranding began) until June 2018.

Table 4.6 Srichand's revenue during 2014 to 2018

Year	Revenue (Million THB)
2014	161.58
2015	331.04
2016	266.03
2017	320.38
2018 (Jan-June)	203.94

Source: provided by firm (2018)

Table 4.7 Srichand's respondents

Position	**SC_1 CEO, Owner**	**SC_2 VP Operations**	**SC_3 AVP Production**	**SC_4 VP Marketing**	**SC_5 Manager Sales Division**	**SC_6 Assistant Brand Manager Marketing Division**	**SC_7 Financial Controller**	**SC_8 Sales Executive**	**SC_9 Assistant Manager Marketing Division**	**SC_10 Assistant Manager Operation Division**	**SC_11 HR: Office Manger**
Times	2	2	2	2	1	1	1	1	1	1	2
Length of service (Data Collected in 2016)	8 years	5 years	6 years	7 years	9 years	2.5 years	4 months	7 months	1.5 years	3 years	6.5 years

4.2.2 Findings

Srichand's dynamic marketing capabilities

Rebranding project renews the organization as a whole

During the rebranding project that began in 2014 and continued into 2015, the marketing knowledge transformed this organization as a whole from its core values, strategies, and operations to various dynamic marketing capabilities activities. The series of new product development practices introduced under its rebranding project is the focus of the present study, which aims to investigate how Srichand developed its dynamic marketing capabilities to renew the organization and create a series of innovative products.

Figure 4.13 shows the rebranding timeline of Srichand, covering from when they renewed the firm's resources in 2006 to when they aim to enter The Stock Exchange of Thailand in 2020. After joining the firm in 2006, the CEO started to transform the company's internal resources by implementing a management information system into its operations. At that time, the majority of customers were in the Southern provinces and the firm had never utilized any marketing communications. In 2008, the firm sensed the need to rebrand, which brought about a trial and error period between 2009 and 2013. The firm initially tried to rebrand in 2009 by repackaging its products and introducing the first presenter with the aim of changing the customers' perception. However, it was not successful. Nonetheless, they spent the period of 2010 to 2013 learning more about rebranding through the process of market orientation, which required them to develop sensing, learning, integrating, and coordinating capabilities. They focused on NPD through collaboration with the TMT's networks. As a result, success was achieved in 2014 when the firm launched a new logo, products, and TVC. After the success in 2014, the firm rapidly developed new products to maintain its dynamic interaction with the market. Another new logo was launched in 2016, which aims to support the company reach into international markets.

The activities from 2006 to 2016 encouraged Srichand to transform the whole organization. According to the interviews conducted in this current study, the TMT plays a major role in the transformation of the organizational culture. For example, the CEO coaches the employees by himself and lets the junior employees lead projects

to enhance their learning capability. These initiatives create trust among the members and provide psychological safety within the organization.

To prepare for the future, Srichand fully implemented its own e-commerce solution in 2017 ready to adapt to digitalization in Thailand and to serve international customers. According to the information gathered from interviews with eleven respondents, the firm aims to enter the Stock Exchange of Thailand (SET) by 2020. To achieve this vision, the firm recruited more people and established new functions such as Digital and Business Development teams during 2017-2018 to support and prepare for the expected growth.

Figure 4.13 Srichand's rebranding timeline

Market opportunities (sensing)

The market opportunity that Srichand sensed before its rebranding began from the company studying the core features of its original product with the aim of building the brand.

"This kind of product has its own characteristics. There are lots of interesting gimmicks to be used, which is better than following the trends. We have to ask ourselves what we want to be. We are not a big firm, so resources are limited. We have to do the thing that we are good at, something that has Thai heritage and can be with Thai people for a long time, like "Snake Brand" or "Golden Cup." (CEO)

In addition, all of the respondents saw opportunities for the firm. For example, the VP-Marketing believed that cosmetics had now become a need for consumers. Another identified opportunity is that nowadays customers go to the large distributors such as Boots, Watsons, and Eveandboy. Hence, Srichand decided to shift its previous distribution strategy from the traditional drugs store channel to convenience stores (7-11), the large pharma-cosmetics stores such as Watsons and Boots, and cosmetics store chains such as Eveandboy.

During the interviews, the respondents also commented on the opportunities for Srichand to develop for-men products and projects in response to international markets.

Ability to identify the organizational challenges (sensing)

Since 2008 when the third generation took charge in the organization, the firm has transformed from an old-style family business firm into an innovative market-oriented firm. Creating innovation is one of the concepts practiced by Srichand's employees, which is enhanced by the learning culture environment of the organization. The innovation that enabled Srichand to develop was the innovation used in the NPD. For example, the rotational power cap in the package is one of the innovative features created by Srichand, which its customers had never seen in other brands. However, the firm faced a number of market challenges. Srichand was able to recognize the major problems as outlined in the interviews with the top management team regarding their sunset era and outdated brand's image.

"The firm was a true sunset business. It could have disappeared if it did not do anything. Many young customers did not dare to tell their friends that they used our products." (CEO)

"We should develop new products to completely transform the model as well as to change the customer feeling and make them reevaluate the brand." (VP-Marketing)

Customer knowledge is another challenge faced by the firm because the customers were confused about how to use the products and many customers even used the products in the wrong way. Hence, Srichand used this issue to develop its CRM program after the rebranding. During the rebranding process, the main tools Srichand used for CRM activities were social media such as Facebook, Line, Instagram, and YouTube.

Marketing knowledge

The results from all of the interviews revealed that the marketing knowledge is a fundamental raw material for all departments in this organization. Because of its learning organization culture, Srichand constantly updates its marketing knowledge all the time. The respondents shared their marketing knowledge regarding the behavior of cosmetics customers, brand engagement, product personalization, and market segmentation.

"We can no longer divide the demographics in the same way. Previously, we would divide them according to income and age. It does not work like that today." (CEO)

The top management team also make the marketing knowledge accessible to the firm's members.

"Our CEO likes to share with us the new information and provide opportunities to learn new things depending on the event such as ADMAN or TCDC Creativity to keep us updated about the market trends." (Assistant Brand Manager-Online)

"We have a web platform to communicate to the employees as well as providing the news to keep them updated with the current trends and they can access it anytime." (Financial Controller)

Cross-functional marketing process

The cross-functional communications and collaborations are highly embedded in all activities. Everyone responds together to the market, especially the marketing and operations teams. They always gather market knowledge, brainstorm, and respond together as they believe that action from the marketing department alone is not enough. The cross-functional marketing process of Srichand covers the following activities.

NPD

This rebranding project includes the new product development of a translucent powder as the capstone project to announce Srichand's new brand image. The researcher investigated how the firm utilized its marketing knowledge to develop this product. The findings reveal that the firm spent almost one year on developing the formula. The strong collaboration between the operations and marketing teams as well as the suppliers emerged during this NPD process as shown in Figure 4.14. To be more precise, the first activity was the integration of the marketing knowledge, which the firm obtained through online feedback, market visits, market research, studying industry trends, and the TMT's network. Then, they disseminated the intelligence through the cross-functional weekly meetings and communicated regularly via Trello and Slack. During this step, the knowledge was implemented into the R&D and operations activities, which required collaboration with the marketing and sales departments as well as with the suppliers. Once the demo was ready, they conduct the product testing. However, this process was nonlinear. The firm needed to go back and forth between the steps until the best demo was finalized for the production.

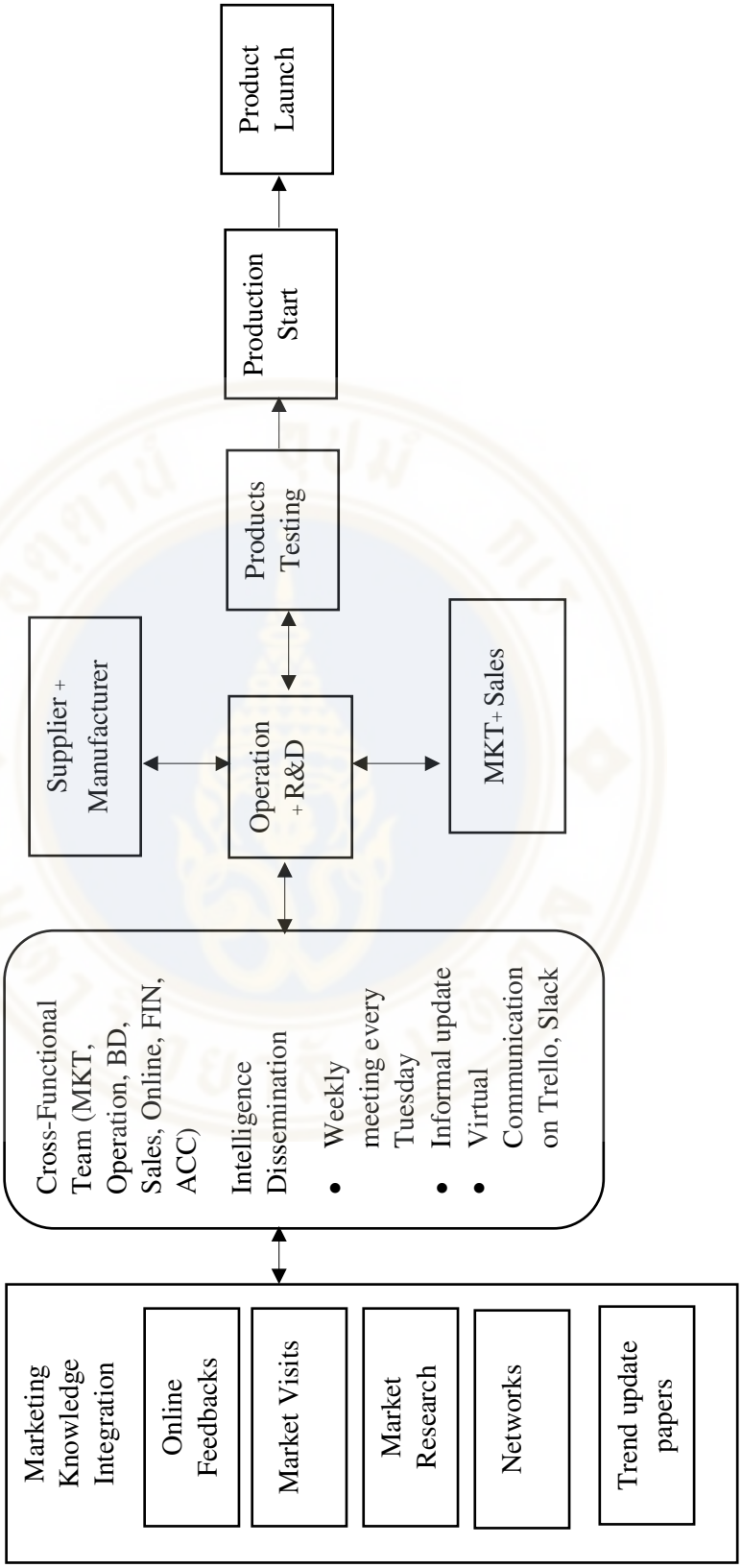

Figure 4.14 Srichand new product development

CRM

As a result of its sensing capability development, the firm's identified problem was the starting point of how it created a customer relationship platform to engage with its customers. Srichand used social media such as Facebook, Line, Instagram, and YouTube to create the brand love community that helped the firm to engage with its customers as well as to obtain the updated market intelligence as stated by the CEO.

"We discovered that the customers nowadays have high engagement with the brand. If they like us, they will be happy to help us in the social media community." (CEO)

Figure 4.15 to 4.18 are Srichand's digital customer relationship management channels. These channels have become a community, where the firm can engage with, educate, discuss with, and communicate promotions to customers. The customers also communicate with each other especially in sharing tips on how to use Srichand's products.

Figure 4.15 Srichand's Facebook channel with 509,478 followers

Source: Data collected on 4 August 2018

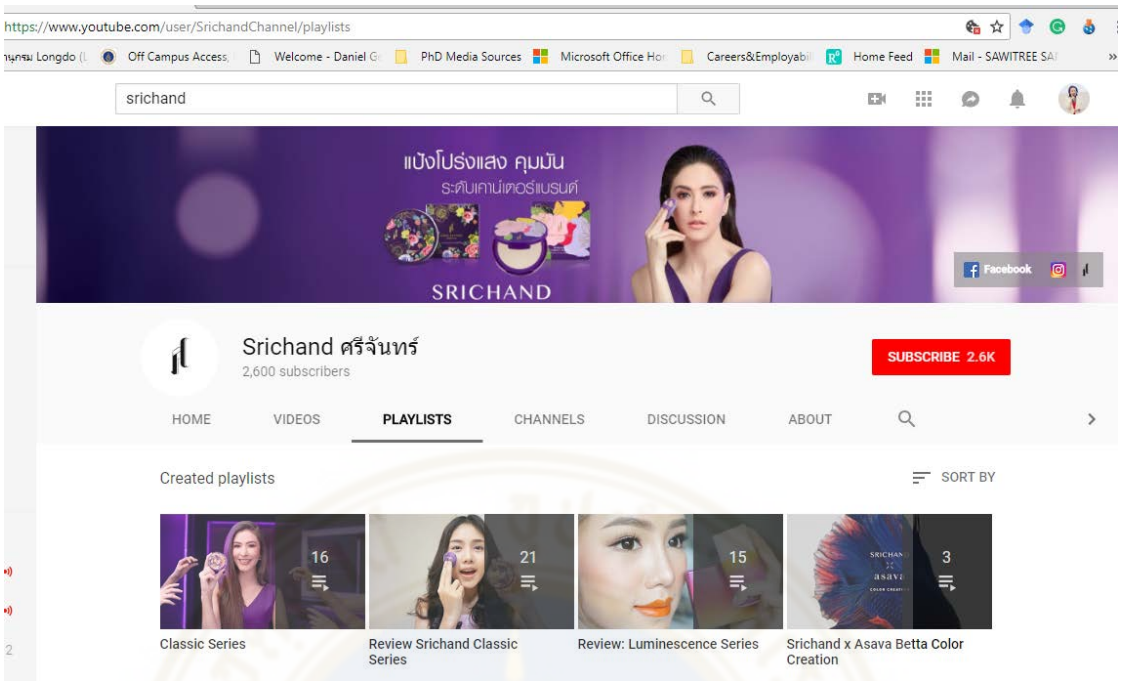

Figure 4.16 Srichand's Youtube channel with 2,849 subscribers

Source: Data collected on 4 August 2018

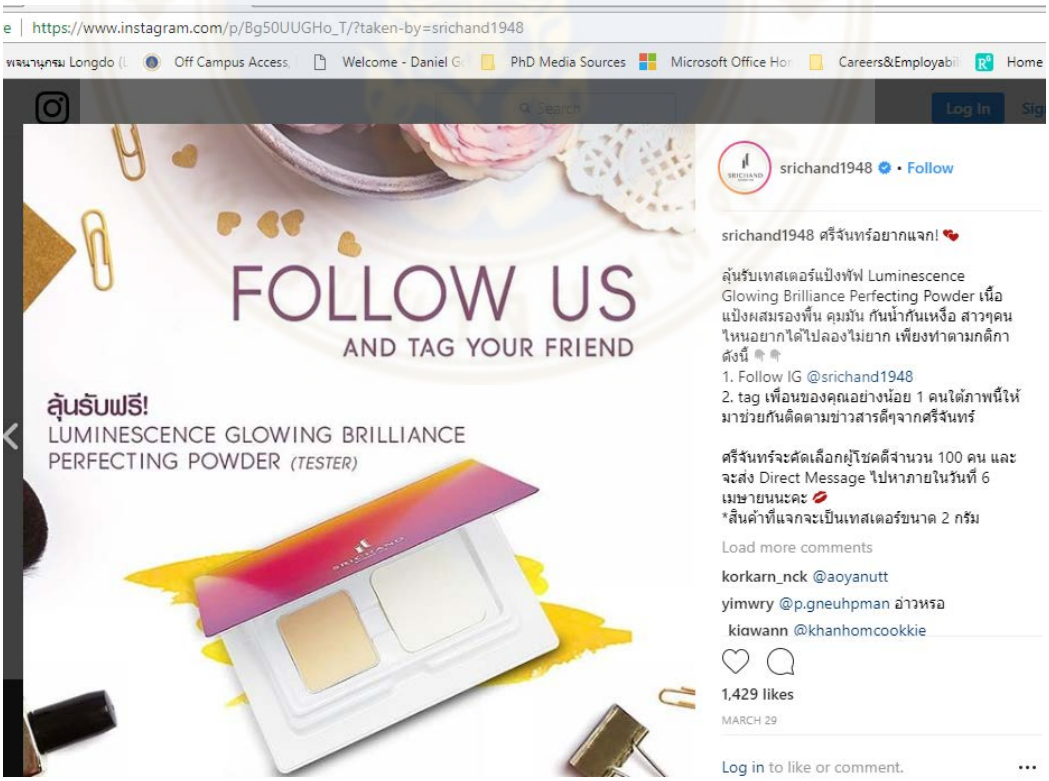

Figure 4.17 Srichand's Instagram account with 21,052 followers

Source: Data collected on 4 August 2018

Figure 4.18 Srichand's Twitter account with 2,201 followers

Source: Data collected on 4 August 2018

Market research

One unexpected finding from the first interview with the CEO was that the firm had previously purchased market research from AC Neilson. However, the firm later decided to conduct its own market research by using online social networks to conduct market testing by distributing product samples and gaining feedback through a Line group. (The Line Application is a very popular communications channel among Thais). Figure 4.19-4.20 are photos of the mini sample that Srichand used for its market research.

Figure 4.19 Srichand translucent powder mini sample

Figure 4.20 Srichand translucent powder mini sample

Source: www.Jeban.com (2016)

Intelligence generation (sensing)

Srichand has the ability to gather new market intelligence to detect threats and opportunities, which are common in the current competitive market environment for cosmetics in Thailand. The company generates intelligence from market research (social media, focus groups, market testing), through conversations between its distributors and the sales department, by attending seminars and trade fairs, as well as from the knowledge of its marketer network.

Before rebranding, Srichand decided to start from its strength as the brand had been known by Thais for a long time. Its core feature is to reduce the problem of oily skin.

"Since we originally produced a loose powder, we improved it to become our strength and it performed pretty well in the market." (VP-Operation)

Later after the rebranding, Srichand developed many new products to meet different market segments including Srichand For Men, pressed powder, and Srichand Baby. All products were developed in response to customer requests.

"Srichand Baby was actually developed from a customer's request." (CEO)

"Why don't you produce a pressed powder? " Some of them even messaged me, "It would be good if you had a pressed powder." (Assistant Brand Manager-Online)

Dissemination (learning, integrating)

Srichand has many ways to assimilate market knowledge and integrate that accumulated knowledge into the rest of the organization. The CEO normally runs mini sessions to keep the members inspired. Every meeting is a place where the team gathers ideas from all members, so all members have to be motivated to share knowledge obtained from multiple sources such as from training and their networks. Market intelligence is disseminated cross-functionally. Every Tuesday, the heads of different departments will attend a meeting and distribute information. The cross-functional meetings are held more frequently during new product development phases. Other intelligence dissemination platforms, such as by phone, email, Line, Trello, and Slack, are used to create dynamic communication among team members. During this study's interviews in 2016, one of the respondents showed how Srichand uses Trello for its intelligence dissemination as can be seen in Figure 4.21.

Figure 4.21 Srichand's trello

Responsiveness (coordinating)

Fast response

"I always tell my team that our only advantage over the large corporations is our responsiveness." (CEO)

This dynamism and speed of response are the advantages taken from the firm's size and its trust and accountability norms. The rebranding activities enable Srichand to respond to shifting customer segments, satisfy customers with complaints, and contemporize the brand in line with the current market trends.

"Mostly, we will teach on the spot. Nobody works alone here. We always brainstorm but might not have official meetings all the time as the execution would be too slow" (Assistant Brand Manager-Offline).

Role of management team

Transformational leadership style enhances employee motivation

The CEO has a strong personality as a transformational leader. He spends his morning coaching the team so that they can make decisions by themselves when he is not at the office. This firm develops employees to have the same vision. He is a proactive learner who inspires his employees to learn new things to develop themselves. The employees feel close to him because he acts as a coach who teaches and lets the

employees learn through trial and error. He listens to all ideas even when some may sound impossible or crazy.

"I had a feeling that he has a good vision and he has a modern way of management which drives us to find all new information by ourselves." (AVP-Operation).

According to the findings from the interviews, all of the employees strongly admire the top management group as they always motivate them to develop. The psychological safety in this firm also increases the employees' motivation to maintain their capabilities.

Environment and network relationship

As the CEO is among the business elite in Thailand, Srichand's employees obtain information about the external environment from his networks since the CEO always shares any knew knowledge in the firm's weekly meetings. In addition, employees are sent to seminars and fairs organized by inter-organizational networks. One of the respondents commented that the information gained from external networks is disseminated quickly at Srichand.

"The CEO is very close to the marketing persons in his speaker circles and information can flow very fast here." (Assistant brand manager- Offline)

The firm also collaborates with external agencies such as NSTDA to obtain expertise in production. In addition, the company obtains knowledge from advertising agencies and designer brands and consults them for any brand-related decision making.

Relationships with suppliers

Srichand still produces original products in-house. However, for the new products under this project, the firm decided to use suppliers such as Milott Laboratories, Thailand and Nihon Kolmar, Japan to obtain their expertise in producing products under Srichand's quality control. This collaboration with suppliers also helps in enhancing the learning and integrating capabilities among these partners. This study's respondents also indicated that another capability which has emerged under the supply chain management is its distribution capability obtained after the rebranding.

"At the beginning, we really did not have that many sales channels, but these channels started increasing when we did our rebranding. The procurement team from

Watsons and Boots love our brand. After our branding improved, our negotiating power also improved.” (Manager-Sales Division)

Indeed, Srichand’s products have become very popular with distributors. Figure 4.22 shows the Srichand Counter in Watsons in a photograph taken by the researcher during the market observations. Watsons is the largest and most popular beauty and drug store in Thailand.

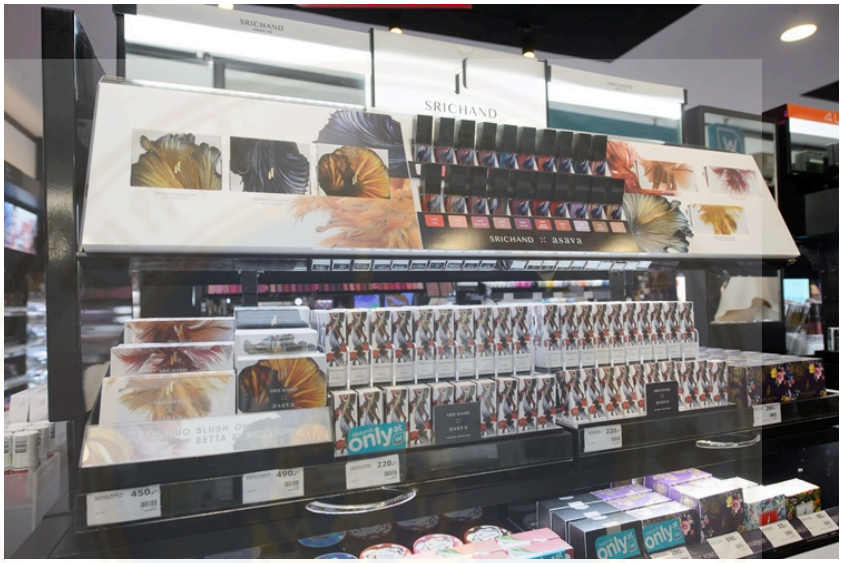

Figure 4.22 Srichand counter in watsons store

Organizational culture

Psychological safely

The findings regarding the organizational culture reveal a learning organization culture that allows trial and error as stated by the CEO.

“It's in the DNA of the company that we are reckless and brave. The past efforts did pay off both negatively and positively. We had a lot of trial and error before this. It's not that we are very smart, but we persevere through it and invest a lot in the process.” (CEO)

Other respondents informed the researcher of their experiences that reflect the learning organization environment at Srichand. Training, both internal and external, is used to enhance employees capabilities. In addition, the researcher observed psychological safety among the team and a dynamism that results in the commitment of

the employees to the organization. A positive relationship between the employees and the organization plays an impactful role in their levels of commitment.

"Our employees do not compete with one another." (Office Manager)

"I have a very good relationship with this company, which makes me want the organization to grow." (Assistant Manager- Operations)

Organizational culture fosters the development of dynamic marketing capabilities

All respondents mentioned the learning organization. Employees are allowed to share their ideas openly and are not afraid to challenge each other's ideas in order to respond to the market. Trial and error is encouraged and there will be no blaming when someone fails. This culture makes employees feel positive about the organization. For example, there was different opinions among the top management team members. Some of the members could speak openly to express their opposite position to that of the CEO.

"They give us freedom in terms of thinking. We can always tell them our ideas." (AVP-Operations)

"Our VP-Business Development dares to challenge the managing director's ideas and does not agree with everything" (Office Manager).

"The management style here is not so strict. They ensure that everyone here is happy and work to their best abilities by providing their full support." (Financial Controller)

Mini sessions taught by CEO

The CEO fosters a learning environment for his employees. Actually, he is a famous marketing speaker who regularly shares his thoughts in public events.

In addition, creativity plays a significant role in Srichand being a learning firm. In the business unit meetings, the CEO always inspires employees by sharing marketing practices and coaching them accordingly.

"At Srichand, management do not only allow us to just think outside of the box. There is no box!" (AVP-Operation)

Finally, Srichand develops the dynamic marketing capabilities of the organization through an employee creative personal development scheme. Training outside the firm is another method Srichand uses to develop it employees. Moreover, all

of this study's participants from this firm informed the researcher about the "one book per month policy" that the employees can buy one book a month and claim expenses from the office manager. Top managers believe this is a great way to refresh themselves and continually obtain new knowledge to develop their individual capabilities, and thereby enhancing the capabilities resources of the firm.

Dynamic marketing capabilities maintenance

The answers from respondents in this respect were similar to those given for the development aspect. However, a few themes were identified in Srichand's DMC maintenance process.

Trust and accountability

The findings revealed the trust and accountability norms inside the organization. Each team member at Srichand is given the opportunity to lead a project and the authority to make decisions. This helps them to maintain DMCs over time through on-going projects.

"We give them a chance to be responsible for big tasks, not keep them to ourselves amongst me and the managing director." (VP-Marketing)

"It is like everyone is a project manager which will initiate and discuss matters by themselves." (Assistant brand manager-Offline)

Motivation from the top management team

The management team constantly motivates the teams in different ways such as through hall meetings, information updates, and monitoring to maintain the team dynamics.

"Each month, I will organize a small meeting as I always give a talk to people outside the company. I give a talk here to maintain the team dynamics." (CEO)

"The VP-Operations will keep updating me which makes me wide-awake all the time. Sometimes I also get the chance to try the products that are being researched." (Assistant Manager-Operations)

"The CEO will keep track of our progress and we will answer his questions." (VP-Operations)

Application of knowledge after training

Another method Srichand uses to maintain its DMCs is in how the knowledge acquired from training is put into practice. This facilitates the constant

development of the employees' DMCs as well as enabling them to share this knowledge with other employees in the organization as mentioned by one of the firm's active learners.

"We have to write in a report about what we have learned and apply it into our project." (Assistant Brand Manager- Online)

Dynamic marketing capabilities consequences

Srichand Translucent Powder was the first product launched after the rebranding process, and it became talk of the town in April 2015 due to the impact of the TVC, which was considered a rebranding phenomenon for the Thai cosmetics market. Within three months after the relaunch, the brand saw a 100 percent sales growth (BK COVER STORY, 2015-OLD MEETS NEW). Srichand received "The best innovation of the country" award in the economic category of the 7-11 Innovation Awards 2015. Organized as a collaboration between CP-ALL (Thailand's 7-11 Master Franchise) and the Top 10 organizations in Thailand, the 7-11 Innovation Awards analyze the country's SMEs to find the most innovative products that combine knowledge, innovation and creation to increase the value of products (CP All Official Website, 2015). Srichand also received another special award for its innovative business model.

As a consequence of the company's DMCs, its rebranding endeavors during 2014-2015 brought about a significant transformation for the firm. The new products developed through a proactive market-oriented strategy combined with these DMCs brought Srichand into a new era. Before the rebranding, many customers were afraid of being seen using the original products in public as the perception of the products was that they were very old-fashioned. Following the rebranding, Srichand reached its target of being Thailand's Top cosmetics firms with a variety of innovative and high-quality products. More importantly, the brand positioning has shifted from being very old style and cheap products to a cool and innovative Thai brand.

In 2018, during the time this study was being written up, Srichand was continually developing its products into several cosmetics and was achieving constant success in both Thai and international markets. The total number of new products since the rebranding is 13 and 1 rebranded product, which is the Original Scented Powder that has been on the market for 70 years. Table 4.8 illustrates the products developed during

and after the rebranding project classified by collection. The development details and an illustration of each product are provided you enhance the insightfulness of the case.

Table 4.8 List of Srichand's new products developed during and after the rebranding project

Product Name	Collection	Development	Illustration
Original Scented Powder	Classic Series	Original product since 1948, had been repackaged more than 10 times before the final rebrand in 2014. The formula is the original from 70 ago. This is the only product under Srichand Cosmetics Brand that the firm manufactures by itself.	
Tanaka Gold Powder Mask	Classic Series	NPD with NSTDA. Co-created with a government agency and manufacturer, this product is another original product that was repackaged and rebranded in 2014.	
Translucent Powder	Classic Series	Launched in 2014, this is an in-house NPD that applies knowledge sourcing from the supplier and manufacturer. This product was key during the rebranding product.	
Translucent Compact Powder	Classic Series	An in-house NPD developed from knowledge sourced from the supplier and manufacturer, this product was launched in 2016 after the rebranding project	

Table 4.8 List of Srichand' s new products developed during and after the rebranding project (cont.)

Product Name	Collection	Development	Illustration
Glowing Loose Powder	Classic Series	An in-house NPD with the knowledge sourced from the supplier and manufacturer, this product was launched in 2017 to maintain the leading position in the market.	
Natural Loose Powder	Classic Series	Another in-house NPD based on knowledge sourced from the supplier and manufacturer, this product was launched in 2017 to maintain the leading position in the market.	
For Men Black Edition Oil Control Powder	For Men	Ian in-house NPD based on knowledge sourced from the supplier and manufacturer, this product was launched in 2015 in response to customer requests via online channels.	
Luminescence Splendorous Under Makeup	Luminescence Series	An in-house NPD based on knowledge sourced from the supplier and manufacturer, this product was launched in 2016 to expand the product line.	
Luminescence Fabulous UV Shield	Luminescence Series	An in-house NPD based on knowledge sourced from the manufacturer in Japan, this product was launched in 2016 to expand the product line.	

Table 4.8 List of Srichand' s new products developed during and after the rebranding project (cont.)

Product Name	Collection	Development	Illustration
Splendorous Spouse	Luminescence Series	An in-house NPD based on knowledge sourced from the manufacturer, this product was launched in 2016 to supplement the existing liquid products.	
Luminescence Compact Powder with Foundation for Oil Control	Luminescence Series	An in-house NPD based on knowledge sourced from the supplier and manufacturer, this product was launched in 2016 to expand the product line.	
Betta Liquid Lipstick	Srichand x Asava	Cobranded with Asava, a famous Thai designer, this product was launched in 2017 to expand the product line into the color category.	
Betta Duo Blush On	Srichand x Asava	Cobranded with Asava, fa amous Thai designer, this product was launched in 2017 to expand the product line into the color category.	
Betta Eyeshadows	Srichand x Asava	Cobranded with Asava, a famous Thai designer, this product was launched in 2017 to expand the product line into the color category.	

Table 4.9 Srichand's within case display

Themes emerged	**Role of top management**	**Employees' reactions**	**Influences on the DMCs' underlying process**
Transformational Leader	The CEO is a famous business figure in Thai society, a writer of many marketing pocket books, and a public speaker. He actively motivates employees by using different activities.	Employees are **proud of** working with him **and are highly motivated**.	**(+)** Employees have more access to **sense** the MKT knowledge from the TMT's network. (+) Employees are motivated to **learn** from the TMT. (+) The learning process influences the employees' integrating and coordinating capabilities as they apply the DMCs into their operational practices.
Highly learning organization with psychological safety	TMT is a proactive team which acts as coaches to **inspire** and **teach** employees to learn new things.	Employees **feel close** to the TMT and **are not afraid to trial an error**. They freely share ideas because no one will blame them for learning in this way.	(+) Open all members' minds to **sense** the new MKT knowledge. (+) Members **learn** through the dissemination process. **(+)** They have more confidences to **integrate** the new knowledge and **coordinate** the resources to perform in the project.
One book per month policy	The CEO loves reading and **believes**	All of the employees	**(+)** More resources to **sense and learn** the new

Table 4.9 Srichand's within case display (cont.)

Themes emerged	Role of top management	Employees' reactions	Influences on the DMCs' underlying process
	it is the way to develop people.	gave positive feedback on this policy. They buy **various types of books for their development.**	MKT knowledge. **(+)** This new knowledge will be applied in the practice of **integrating and coordinating.**
Application of new knowledge into practice	TMT **encourages** employees to share their DMCs obtained from the development.	Employees share DMCs to other members and **apply** the DMCs right away in the forms of projects and operational routines. By sharing and applying, the DMCs will be **put into practice iteratively for DMC renewal**.	**(+)** All members can **sense** and **learn** from each other by sharing. (+) Highly influential on the **integrating** and **coordination** processes as employees have to embed the new knowledge into their routines.
Giving Trust and accountability	TMT lets employees **work like a project**	Employees have a **sense**	(+) Employees are motivated to **sense and**

Table 4.9 Srichand's within case display (cont.)

Themes emerged	Role of top management	Employees' reactions	Influences on the DMCs' underlying process
	manager who is responsible for the approved idea.	**of authority** in their roles. They are not scared to fail which results in creativity and innovation.	**learn** the new MKT knowledge. (+) Employees have more confidence to i**ntegrate** and **coordinate** resources to achieve the project's goal.

Srichand: Quality check protocol to verify conformability

Table 4.10 Srichand quality check protocol respondents

Respondents (Position during the data collection in 2016)	**Updated position in 2018**	**Motives**
CEO	CEO	Selected as the leader of the organization.
VP-Marketing	CMO	Selected as the representative of the TMT and the leader of marketing activities under the rebranding project.
Office Manager	Office Manager	Selected as she plays a crucial role in the whole organization.
AVP-Operation	Director of R&D	Selected as she plays a crucial role in NPD and R&D, and to verify the information from the cross-functional team
VP-Operation	Director of Operation	Selected as he plays a crucial role in NPD, for his production capability, and

Table 4.10 Srichand quality check protocol respondents (cont.)

Respondents (Position during the data collection in 2016)	**Updated position in 2018**	**Motives**
		to verify the information from the cross-functional team

Quality check protocol overview

The data collected in this case were adjusted according to the respondents' feedback. The CEO found the case useful for the firm's further business operations. The information regarding the rebranding projects and activities were verified without adjustment. However, there were a number of projects during 2016 to 2018, which are included in the case update section below.

Verifying casual network

The researcher presented the casual network frameworks on the firm's rebranding timeline and NPD process to five respondents during the quality check protocol. There was no disagreement regarding its activities during the collection of data.

Increase triangulation

The quality check protocol encourages the researcher to investigate new sources of information regarding Srichand's e-commerce platform. These data were triangulated with other sources and re-analyzed in a careful manner. This helped the researcher to update how the firm has constantly developed its DMCs in other activities after the completion of the rebranding project.

Missing data

No missing data were discovered from the feedback during the quality check protocol.

Disagreement

No disagreement was discovered in the feedback during the quality check protocol.

Case update

Srichand case update: e-commerce and dynamic marketing capabilities development

In September 2017, the firm started to separate the online team from the offline team because they consider that the nature of people is different for these distinctively different tasks.

There was a big event in November 2017 (11/11) when the online platform launched a sales campaign all over the world. That was the kick off point for developing the online platform. Srichand faced a lot of problems and started from there to structure the system. They faced various issues on that day e.g. packing and errors in orders. In addition, that was also the time when the company recruited its CTO, head of e-commerce, and three new officers to be specifically responsible for the firm's e-commerce.

There were challenges during the establishment of the firm's online platform as online customers normally expect a fast response but the payment system was complex and slow". Consulting third parties through the TMT's networks was the key to addressing these challenges. Team communication has also become an issue since the firm began to grow. However, the firm constantly updates the communication technology it uses, such as Slack, to improve the process of developing dynamic capabilities.

Figure 4.23 shows Srichand's own online shop. The content is available in Thai, English, and Chinese as the firm also started to gain interest from international markets.

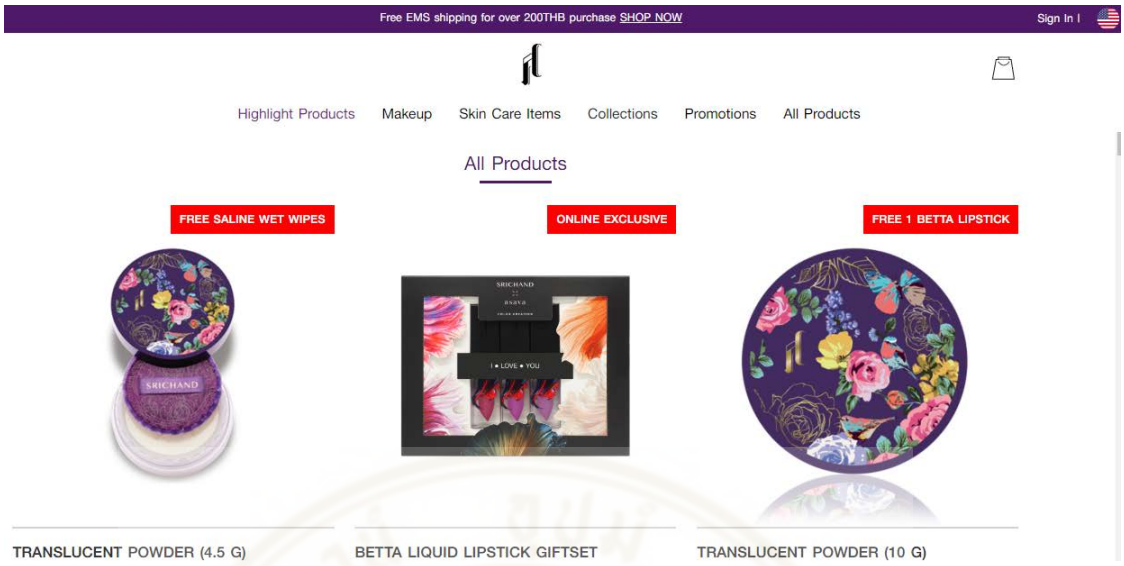

Figure 4.23 Srichand's online shop

Srichand's re-organization in 2018

Over the period of this research process, the researcher recognized a crucial change in the respondents' positions. Srichand previously had an MD, VP, and AVP system. However, the visits in 2018 revealed that the system had been changed to accommodate the organization's expansion. The firm's rapid growth was confirmed by the office manager who said that it had gone from having just 15 employees in 2016 to having 40 employees in 2018. The E-Commerce Unit was founded in November 2017 to respond to the digitalization and the full implementation of its online channel. The researcher observed that Srichand also added a new building that will be used as the company offices and to store the product inventory for the e-commerce channel.

Learning and dissemination

As the firm expanded, the communication methods within it also changed to eliminate the use of informal tools such as LINE. The team management application also changed from using Trello to ASANA. Another change was in the frequency of face-to-face business unit meetings, which were updated from a weekly to a bi-weekly basis. The TMT encourages smaller group meetings as it helps to solve problems more efficiently.

The new role of the business development unit

As previously mentioned, the business development unit had only a minor role in the DMC process during the data collection period in 2016. However, the respondents informed the researcher that this unit now has a major role in the process. In 2018, the business development team consisted of three employees who work in a similar manner to project managers coordinating all the projects. The reason given for this new role was that the firm began to have a higher number of projects after 2016 and the TMT identified the need to have a specific unit which can follow up on all related tasks in a timely manner. In this way, Srichand has been able to achieve successful completion of a number of projects during the past two years as can be seen in Figure 6 above.

New DMC development

The new learning sessions have been added in the organization. The firm continues to foster a high learning environment by giving everyone opportunities to be an instructor. These small training sessions are taught by both the TMT and junior employees who have advanced capability in the specific topics such as Photoshop, Google Application, and ASANA.

Data saturation

A total of sixteen interview sessions were held together with a careful analysis of various sources of data including media sources, company documents, e-commerce channels, office and factory visits, store visits, informal conversations with the respondents, and finally the quality check protocol. These practices helped the researcher reach the stage of data saturation. This study is able to answer how Srichand develops and maintains its dynamic marketing capabilities to stay market oriented over time. The frameworks and findings were verified and there were no disagreements or additional comments revealing any new information after the quality check protocol had been carried out.

4.2.3 Discussion

Srichand has developed its DMCs through a major rebranding project to transform the organization as a whole. The findings of this research reflect those of previous DMC studies, such as those of Barrales-Molina et al. (2014) and Bruni and

Verona (2009), in that market knowledge is shown to be the key component of DMCs that help firms to adapt their organizational resources and DMCs to renew the organization as a whole.

New product development was a main activity in Srichand's rebranding project. This finding concurs with the exiting studies by showing that proactive market-oriented firms are able to create branding capability and innovation capability, especially through new product development (Barrales-Molina et al., 2014; Jaworski & Kohli, 1993; Merrilees, Rundle-Thiele, & Lye, 2011; Narver et al., 2004). New products and processes demand new capabilities or at least a new combination of competencies. These new skills and capabilities are requirements for creating new products or launching new services, and are likely the results of the acquisition, assimilation, and exploitation of new knowledge (Leal-Rodríguez, Ariza-Montes, Roldán, & Leal-Millán, 2014), and the market knowledge determines the innovation development. This is consistent with the organization's concept of knowledge-based marketing (Kohlbacher, 2013).

The first theme the researcher found from this case was the character of the visionary leader of Srichand's Managing Director. This has created a learning organization as the employees proactively sense and learn new marketing knowledge, especially through the MD's network. This learning process influences the employees' integrating capability as they apply the DMCs into their routines. Helfat and Peteraf (2003) also agreed that in order to develop its capabilities, a firm requires strong leadership to govern the team. As a result, with the clear vision of Srichand's management team, employees are moving in the same direction to create quality products with innovative concepts. As observed by Lawson and Samson (2011), successful innovation requires a clear vision and strategic direction.

The second theme is how the TMT's network play a crucial role in the organization's learning culture. This finding is in accord with the study of Kemper et al. (2011), which showed that a micro network, such as of suppliers and customers, is a driver of marketing capabilities. The influence of this network is generally positive for the development of specialized marketing capabilities. Within this network, Srichand's employees are able to sense more marketing knowledge by exchanging market insights as well as responding to the market as Srichand collaborates with its suppliers and

distributors (Elg, 2008). This action aligns with the findings of previous studies, including those of Evers et al. (2012) and Macpherson et al. (2004), in that when marketing knowledge is shared between partners through complementary resources, it allows all parties to access wide-ranging stocks of knowledge that are essential to NPD activities.

As a result of this sensing capability development, the recognized problem was the starting point of how the firm could create a customer relationship platform to engage its customers. Srichand uses social media such as Facebook, Line, Instagram, and YouTube to create the brand love community that helps the firm to engage with its customers as well as to obtain updated market intelligence, as stated by the CEO.

"We discovered that the customers nowadays have high engagement with the brand. If they like us, they will be happy to help us in the social media community." (CEO)

The third theme the researcher discovered is how the influence of being a learning organization and providing psychological safety assist the firm to develop its DMCs. Through socialization, individuals can know whether creative and innovative behaviors are part of the path the business is taking. At the same time, the business can generate values which support creativity and innovation, and its innovative capacity will subsequently improve (Naranjo-Valencia, Jiménez-Jiménez, & Sanz-Valle, 2011). As a result, Srichand's employees could learn through a stable and repeated process (Ambrosini & Bowman, 2009; Zahra et al., 2006; Zollo & Winter, 2002). This analytical result is in line with the view of extant studies. Other scholars have also claimed that learning through repetition could facilitate marketing capabilities development (Day, 1994). By bringing people and resources together in repeated efforts, firms develop the practices upon which capabilities are grounded. This norm also positively influences the trust and accountability norm among the TMT and the employees (Gebhardt et al., 2006).

Lastly, the finding regarding the DMC maintenance with its focus on skills sessions, on-the-job training, and straightforward knowledge sharing by answering and encouraging questions aligns with previous studies which have shown that a firm's members should constantly apply the capabilities developed into their routines (Eriksson, 2014; Macpherson et al., 2004; Rogers et al., 2005).

4.3 Case 3: Surapon Foods

4.3.1 Profile

Established in 1977 under the name of Surapon Seafoods, the firm became the first frozen food producer listed on the Stock Exchange of Thailand (SET) in 1986. The company changed its name to "Surapon Foods" in 1996 in order to reflect the diversification of its expanded business lines. The key success of Surapon Foods has been its operations processes that have been accredited with quality standards from several international organizations, namely GMP, BRC, HACCP, and ISO22000. These standards provide consumers with confidence in the safety and traceability of its food products. Surapon Foods has three main businesses: 1) production and distribution, 2) restaurants, and 3) services. The vision of Surapon Foods is "To be an internationally recognized food manufacturer with best quality products and services" while its mission is "To deliver your total quality". As a result of its intentional focus on quality, the firm has received high praise for excellent food safety during its operations processes, as well as trust and credibility from both domestic and international markets. This has resulted in Surapon Foods being able to sustain its business and achieve growth, especially during the year from 2014 to 2015. However, the firm has since been faced with some key challenges that significantly affected its revenues during the period from 2016 to 2018. Table 4.11 shows Surapon Foods's revenues from 2014 to 2018.

Table 4.11 Surapon foods's revenue during 2014–2018 according to the stock exchange of thailand (SET)

Year	Revenue (Million THB)
2014	5,183.28
2015	5,121.95
2016	5,828.16
2017	5,732.16
2018 (Quarter 1-3)	3,700

The philosophy of its business operations is "Your Total Quality", which cover six areas, namely, research and development, sourcing of raw materials, production, logistics, professional team members, and CSR.

During the data collection period, the researcher had access to the headquarters, where the first and still the main factory of Surapon Foods is also located. The scope of context being studied in this case is a renovation project at the headquarters with the aim of investigating how the firm responds to the markets. The renovation project that the team was working on involved the restructuring and upgrading of its operations processes. The aim of this renovation project was to improve the firm's operations capabilities to respond to both domestic and international markets. Two TMT executives were interviewed to gather data from strategic levels. Four additional respondents included a key person who works closely with the TMT to ensure the production capabilities remain market-oriented. Hence, this research investigates how the firm develops and maintains its dynamic marketing capability through the process of this operation renovation project.

Tables 4.12 Surapon Foods's respondents

Position	**SF_1 CEO**	**SF_2 General Manager**	**SF_3 Production Manager**	**SF_4 Process Manager**	**SF_5 Engineering Manager**	**SF_6 VP-Corporate Secretary and HRM**
Times	1	1	1	1	1	2
Length of service (Data collected in 2016)	7 yrs.	17 yrs.	7 yrs.	5 months	8 yrs.	11 yrs.

4.3.2 Findings

Surapon Foods dynamic marketing capabilities

Renovating production process

The renovation project started in 2016 and was completed in 2018 with a total investment cost of 220 Million THB. In response to the customer demands in the

market, the firm wanted to add more products to the market and increase the capabilities of the firm. The aims of the renovation were to: 1) increase the production efficiency, 2) improve the facilities to be ready for new product development and existing product development, and 3) respond to the new minimum wage regulations and the nature of Thai labor that now does not prefer to work in a factory. Before the renovation, the factory produced seafood in the daytime and chicken products in the nighttime, which resulted in an obstacle in its operational capabilities and a lack of maintenance time for the production machinery. The renovation helped the firm to produce the products that could meet the quality regulations as well as the market demand.

In addition, the previous production process required a high amount of labor. The renovation project aimed not only to increase the productivity, but also to respond to the minimum wage regulations that came into effect in the country in 2013. Indeed, one respondent commented that there had also been an earlier renovation project in 2011. However, the sales performance after that time still did not meet expectations. Hence, in 2016, the firm tried to develop its sensing, learning, integrating, and coordinating capabilities through the process of market orientation.

It is interesting to see how the firm used marketing knowledge to renovate the company as a whole. Figure 4.24 shows how the cross-functional teams at Surapon Foods worked together in the renovation project through the market orientation process. The main actors in this renovation project were the TMT and production team. The process started with the generation of marketing knowledge, which was obtained from multiple sources, namely the sales and marketing team, trade fairs, the TMT's networks, customer meetings, and secondary sources. This marketing knowledge was then disseminated in bi-weekly meetings and through collaborative activities between the sales and marketing team and the production team. During this process, the TMT of Surapon Foods took a role in the policy level to support the cross-functional teams. Training was provided during this step to make sure everyone was ready to participate in the renovation activities at the production site. However, this process was nonlinear as the firm was required to go back and forth between these steps. For example, after implementing the new market requirements, the firm found it did not fit with the production capabilities. Therefore, they had to go back to the first step to collect the data again. Also, as the market was changing fast, the firm needed to integrate new

knowledge constantly throughout the process. According to the quality check interviews, the results of the innovation project were already revealed in 2018, when the firm was able to support both new product development (NPD) and existing product development (EPD).

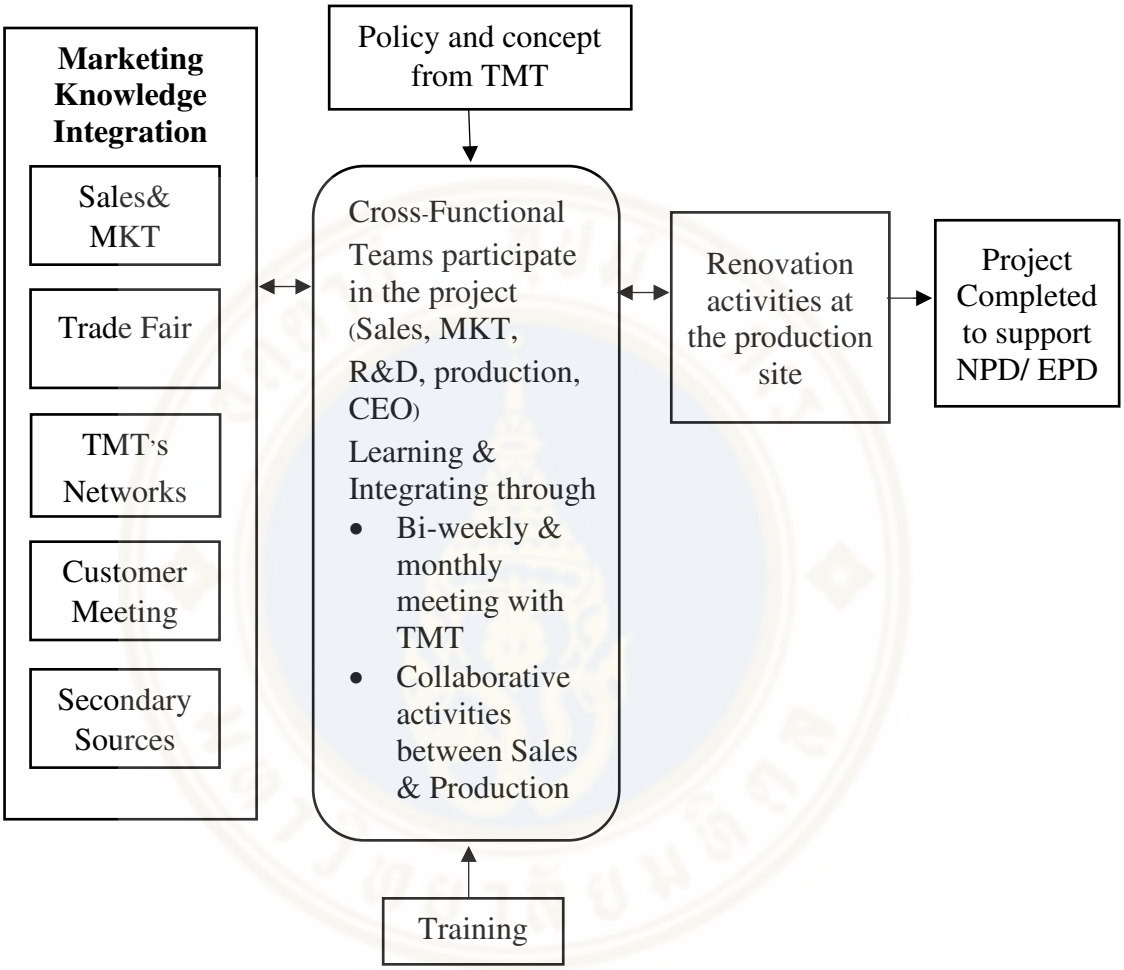

Figure 4.24 Surapon Foods renovation process

Market opportunities (sensing)

The top management team focuses on producing products that match the market demand. It aims to achieve efficiency and be able to produce at full capacity while delivering the highest quality to customers. It also aims to source products from other suppliers to respond to domestic market demands. The renovation project was established to fill this business opportunity.

Ability to identify the organizational challenges (sensing)

Surapon Foods recognized the challenges it faced. Its production was not flexible enough for its objectives and the company needed to adjust its product list to match the capabilities of each factory. Before the renovation project started, the company had to produce two different products at the same period, and it faced a number of challenges including labor shortages. This was a main reason why Surapon Foods decided to renovate its production to be more efficient with less labor required.

"We believed that it was time to tackle the issues of high market competition. Labor was hard to find so we replaced them with machinery." (Production manager)

Marketing knowledge

The headquarters of Surapon Foods is located in Samutprakarn, a province next to Bangkok. However, the marketing knowledge is shared by the marketing and sales teams who work in the Sales and Marketing Office. The Sales and Marketing function is divided into domestic and international teams. They work in different locations. The main persons who interact with those teams are the CEO, general manager, and production manager. This knowledge triggered the organization to renovate its operations.

For international markets, their primary source of knowledge is from customer meetings in which they get updates on what the customers want. The sales and marketing team works closely with customers before comparing their findings with secondary sources from the DTIP and Ministry of Industry, Jetro, and UNFAO. This team integrates all sources to come up with aggregated data so that they can check if all the information is aligned and identify the common direction. The sales and marketing function is divided into domestic and international. The domestic section is located at Central Bangna, but the export team is at the headquarters in Samutprakarn. However, they work in parallel through the same approach.

Cross-functional marketing process

This project involves cross-functional departments working together. The key interdepartmental members are the TMT, production team, sales and marketing, R&D, and those who come to complete this project. The general manager mentioned

that the marketing and sales team regularly come to the factory to share the trends and give directions on what to develop and what the factory should do to support sales.

In the renovation project, Surapon Foods integrates the marketing knowledge obtained from Sales and Marketing and the costing knowledge from the factory office to improve the company's operations capabilities. This project involves the participation of the company's top executives as well as representatives from production, sales, and marketing. The aim of this renovation project is to improve production capabilities. The TMT creates the policy and concepts of the renovation by anticipating the future changes in the market trends. The cross-functional DMC process was clearly explained by one of the TMT.

"This renovation project is market oriented. We do this in response to the situation in the market. Then we think about investment. Before the renovation, all departments worked together to ensure that we would make the right decision. Sales and MKT know the market trends; the production know how to adapt the facilities, and accounting and finance know the cost and if it is matched with the selling price overseas." (VP-Corporate Secretary, HR)

Intelligence generation (sensing)

The marketing and sales team at Surapon Foods obtain their marketing knowledge from contacts in the TMT's networks who are in the same industry when they meet during tradeshows and from customer visits in both domestic and international markets. The general manager also communicates with customers on a regular basis to keep updated on the product orders. As a result, the project team members are able to identify the market requirements learned from the sales and marketing teams. The findings show that the marketing knowledge is embedded in the renovation project. They are also able to manage resources to improve their operational capabilities.

Dissemination (learning, integrating)

Surapon Foods promotes learning from real cases within the firm as well as from those in the firm's networks. For example, employees are given an opportunity to visit other factories, where they can exchange knowledge among intra- and inter-organizational networks. This activity supports the development of learning and integrating capabilities because the firm embeds new knowledge into operational

activities actively after the learning step. The dissemination of this knowledge also requires each department to integrate its resources to support the dissemination activity. Nevertheless, the dissemination is classified into executive level and middle manager level. For the top management team, they have a management committee meeting every 2 weeks and a performance meeting monthly. The content of these meetings mainly focuses on the strategy and renovation project progress. For the middle level management, they meet one or twice a week to share information about the renovation progress and the new product development.

Responsiveness (coordinating)

Through developing the company's learning and integrating capabilities, the aim of the renovation project is to develop key products by introducing new processes and resources to respond to the market environment. The number of products can be adjusted according to any market changes. In this way, the firm's operational capabilities will be matched with customer demand. First, the TMT and domestic and international sales and MKT teams prepare estimations. They then have a meeting to discuss the product items that will match the market demand.

Surapon Food's online channel

After triangulating the different sources of data, this study found that Surapon Foods launched an online channel to adapt to the era of digitalization and to engage with customers. However, the e-commerce system has not yet been fully implemented. Figure 4.25 and 4.26 show Surapon Foods' online channels on Facebook and LINE, which are the most popular social media in Thailand. These channels actively communicate directly with the customers as the firm also wants to start engaging with customers in the local market.

Figure 4.25 Surapon Foods Facebook channel with 45,533 followers

Source: Data collected on 4 August 2018

Figure 4.26 Surapon Foods Line channel with 21,694 friends

Source: Data collected on 4 August 2018

Role of management team

The top management team (TMT) is involved in this renovation project. The president and the CEO are direct supporters, which enhances the project members' accountability to develop their DMCs to complete this renovation project. The TMT provides support in term of policies, concepts, and strategies and by explaining the vision and objectives to the project team. For the implementation, four of the operational level managers who participated in the interviews are responsible and they report interactively to the TMT.

Environment and network relationship

For the international market information, Surapon Foods receives updates from the Department of International Trade Promotion, Ministry of Commerce, Thailand. Employees at Surapon Foods often attend seminars organized by the Ministry, where they have a chance to learn and exchange new market information with experts and participants from other firms. The general manager stated his view on how developing a deeper network with government agencies would help in terms of DMC development.

"We also have an association to help us develop our capabilities, such as the curricula of the training, data exchange and factory visits." (General Manager)

Organizational culture

Employee motivation

The total number of office employees at the headquarters is 200. The motivation starts from the CEO who first motivates the senior directors and they, in turn, pass the motivation downstream through their functions. As Surapon Foods is a big organization, its actually communicates through its reporting lines. The management follows this process and each member of the TMT receives the same message, which they then disseminate to their unit members. How each member of the TMT communicates with their team varies. In researching this renovation project, the findings revealed an open working environment at Surapon Foods. The CEO listens to the project members' opinions when they have different ideas. Actually, this project helps in terms of creating positive motivation among the members and bringing people from the middle levels to work more closely with the executive level.

Dynamic marketing capabilities development

Training

The TMT sets the framework annually by anticipating the market environment and then setting the plan for how to prepare the employees to respond to the changes. The training aims to top up the capabilities of the employees. After the framework is established by the TMT, the human resources unit will design the development program as approved by the TMT. To be more precise, the researcher was able to obtain the following detailed information.

For employees in operations, they focus on skill training before they enter the factory and then this is followed by on-the-job training. First, they need to know the firm's regulations. Second, they must understand the importance of GMP and Food Safety and quality. This part is important as the firm does not compromise when it comes to quality. The supervisor needs to ensure that the workers understand the company's standards and know the consequences of not following them. Third, Surapon Foods also trains its Laotian workers on how to live in Thailand and how to maintain hygiene in their daily lives. This operational training is important in the DMC process as it influences how the firm is able to respond to the market, as stated by one TMT representative.

"This may seem a small thing, but it is very important because it tells us if we are going to have the capacity to respond to the market or not." (VP-Corporate Secretary-HR)

For office employees, Surapon Foods calls them "monthly employees", who are classified as the support team and the factory team. For the factory team, they know how to improve the operations process, productivity, and budgeting and costing. This is crucial in the financial aspect. For the support team, the TMT ensures professionalism is maintained in their areas. For example, if they are accounting, they need to know how to close the budget as requested to a professional standard. For this group, they focus on both job training and external training. For example, all members mentioned during the interviews that in the training they develop skills to be better able to participate in this renovation project through the soft skill training they receive from the Management and Psychology Institute and through technical training from expert organizations. The CEO plays a crucial role in motivating his employees by giving them projects to work on, for

example, Kaizen or other improvement projects in which employees have to perform and be responsible enough to exceed the clear expectations. The project is normally conducted in the logic of cross- functional working.

In terms of DMC development from the perspective of the CEO, he informed the researcher that this development relies on the willingness of the employees to learn and develop as he believes that the employees should have an internal drive and talent in order to exploit the DMC.

"It depends on whether you want to improve themselves or not. We don't just pick them up. It depends on their willingness to improve and join the program." (CEO)

In addition, a TMT representative of Surapon Foods informed the researcher that the company not only selects the talents, but they also select the key position that impact the renovation project. Hence, the firm develops people from two dimensions: 1) train talented individuals, and 2) train key persons in key areas.

Dynamic marketing capabilities maintenance

In order to maintain its DMCs, the firm continually assigns project to its employees. This is the way to apply the development of DMCs from the earlier stage into practice.

"We have plenty of projects. We present our products to clients all the time to improve quality continually." (General Manager)

The company's employees described the character of the CEO as an open-minded person, which helps with motivating his employees to develop their DMCs constantly. This maintenance process also creates trust among the employees regarding their DMC development. They believe that it enables them to perform and receive physiological incentives, such as recognition, compliments, and opportunities. In addition, an employee engagement survey is used to ensure satisfaction is maintained across all aspects including important factors such as salary, work conditions, and teams. The TMT has applied the results of these surveys into their strategies and actions which have helped to maintain the DMCs.

Dynamic marketing capabilities consequences

As a result of this renovation project, Surapon Foods is able to continue leading the industry as a brand recognized in both Thailand and overseas for its frozen

foods. The project has created an industrial scale impact because it has renovated the firm's adaptability and operational capability. Along with a focus on quality in the development of new products and the improvement of exiting products by the company's R&D team the researcher's observations when visiting the factory also confirmed the focus on quality is treated as a commitment to the company's customers. Apart from the consequences from the marketing point of view, the findings reveal that the DMCs of the firm bring closer relationships between the executive and middle level managers through the process of Surapon Foods' renovation project.

"I think the renovation project and new product development are keys to helping Surapon Foods become stronger." (Process Engineer)

Table 4.13 Surapon Foods's within case display

Themes emerged	Role of top management	Employee reactions	Influences on the DMCs underlying process
Train talented employees and those in impactful positions	TMT acts as a **supporter**.	Training gives them more opportunities to learn. They feel supported and motivated to apply the knowledge into practice.	**(+)** Selected employees have a chance to **sense** and **learn** new MKT knowledge. **(+)** After the training, employees **integrate the** MKT knowledge into their routines and **coordinate** resources to create new operational **capabilities.**
Continually assigning projects	TMT **continually assign projects** to employees.	Employees are developed during the execution of the project activities, the so called **developing DMCs**	**(+)** Employees are encouraged to **sense** and **learn** more MKT knowledge in order to perform better in the project.

Table 4.13 Surapon Foods's within case display (cont.)

Themes emerged	Role of Top Management	Employee reactions	Influences on the DMCs underlying process
		in action.	**(+)** Employees then have to **integrate the** knowledge and **coordinate** available resources to complete the project. This tactic reveals that the DMC development and maintenance is an iterative process.
Closer relationships between TMT and operational managers.	TMT executives are in the high positions in the structure.	The renovation project **allows for a closer relationship** between the top management and the operational managers.	**(+)** The project creates more opportunities for all members to **sense** and **learn** from each other. **(+)** It also enhances the collaboration among them to **integrate** knowledge and **coordinate** resources together.

Surapon Foods: Quality check protocol to verify conformability

Table 4.14 Surapon Foods quality check protocol respondent

Respondents	Motives
VP-Corporate Secretary and HRM	Selected as the representative of the organization. He plays a very important role in the key strategies of Surapon Foods

Quality check protocol overview

After completing the case, the researcher revisited the firm two times to interview the vice president corporate secretary and human resources. He has an important role in the organization as well as in the renovation project. The case was carefully reviewed and the feedback proved invaluable to the study. The findings stated within this case were adjusted according to the respondent's feedback. In addition to the interviews, the CEO confirmed the accuracy of the other findings.

Verifying casual network

The researcher presented the casual network framework on the firm's renovation process during the quality check protocol. There were comments regarding its components and network relationships in the part of the sensing, learning, and integrating processes. The firm wanted to add integration costing, R&D, and production knowledge to the marketing knowledge. This confirms the cross-functional process of the dynamic marketing capabilities.

Increase triangulation

The quality check protocol encouraged the researcher to investigate the new sources of information on Surapon Foods' new corporate media channels. These revisits also allowed the researcher to observe the new appearance of the office after the renovation. In the case report, these data were triangulated with other sources and carefully re-analyzed. This helped the researcher to update how the firm constantly develops its DMCs in other activities after the completion of the renovation project.

Missing data

No instances of missing data were found in the feedback during the quality check protocol.

Disagreement

A disagreement regarding the hierarchy and distance between the TMT and lower level managers was identified in the feedback during the quality check protocol. It was useful to see the different perspectives between the TMT representative and the junior manager representative. The issue was solved by reviewing the organization structure and asking the respondents to clarify the criticism. In this respect, the researcher used a discretionary option to respond to the comments made (Yin, 2013, P.199).

Case update

As the researcher revisited the firm after the renovation project had been completed in 2018, the key respondent commented that only the renovation of the physical facilities had been completed, i.e., buildings and machines. It is the nature of the factory that the firm still needs more time to set up and begin to improve production efficiency.

"It is normal in the production process to require more time to see how it runs until it becomes our routine." (VP-Corporate Secretary and HR)

In addition, the firm's representative informed the researcher about the primary rebranding of the firm. Surapon Foods launched a new corporate logo that is considered more modern and lively. This rebranding project was included along with the renovation project. However, the renovation project was started before the creation of the new logo. After the renovation in 2018, the firm also renewed the corporate branding on its media. The timeline of the firm's milestones is shown in Figure 4.27.

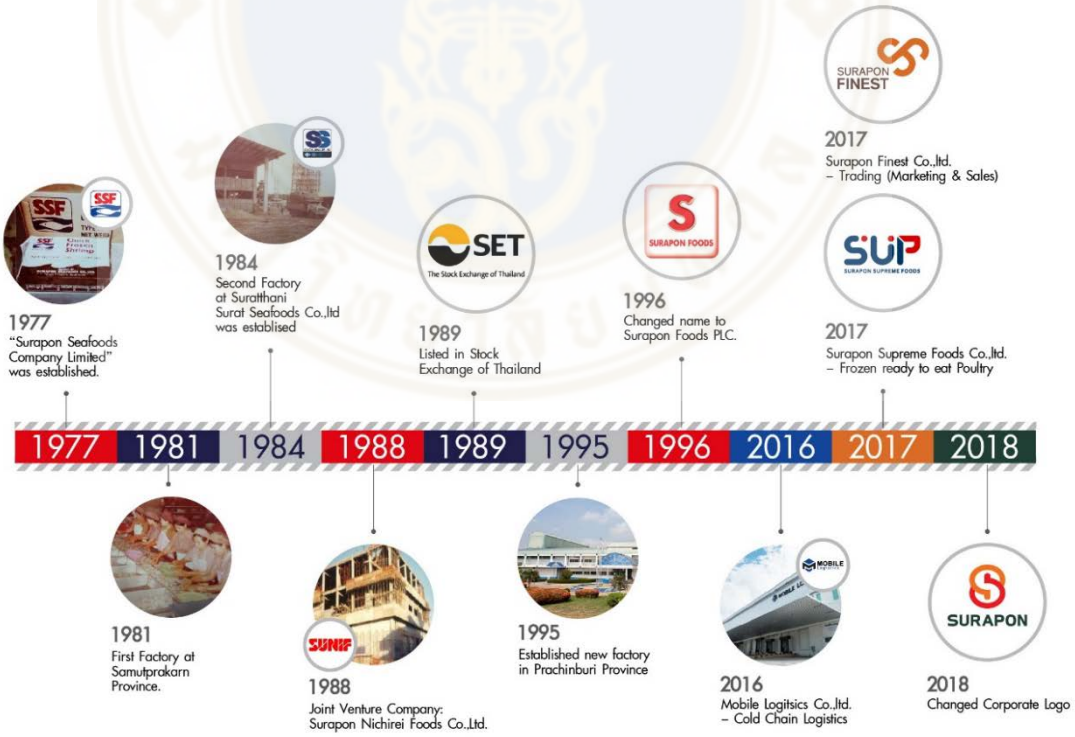

Figure 4.27 Surapon Foods' milestones

Source: Surapon Food's Official Website (2018)

Data saturation

A total of seven interview sessions were held together with a careful analysis of various sources of data including feedback notes, media, company documents, office and factory visits, store visits, informal conversations with the respondents, and finally the quality check protocol. These practices helped the researcher to reach the stage of data saturation. This study is able to answer the question of how Surapon Foods develops and maintains its dynamic marketing capabilities to stay market oriented over time. The frameworks and findings were verified and there were no disagreements and new information revealed after the quality check protocol.

4.3.3 Discussion

The operational routine renovation project of Surapon Foods revealed an example of how the firm could make use of DMCs to renew its manufacturing function. The firm revealed its sensing capability as it intentionally forecast the coming changes in the market and considered how to respond by making appropriate changes in its operational routines (Day, 1994). Surapon Foods set clear milestone activities and prepared to utilize its existing resources as well as seeking additional resources. This DMC activity was run by a cross-functional team to respond to the changes while maintaining the company's quality standards, as this is the key priority of the firm (Eriksson, 2014).

The findings of this research are consistent with those of (Gaur et al., 2011)), who studied the link between MO and manufacturing performance in India and shed light on how sensing capability supports manufacturing performance. After the top management concluded that they should renovate the operational routine, they shared their vision with the cross-functional team and let everyone learn and integrate the knowledge and finally deployed the company's resources to produce the refined products that serve both domestic and international markets. A similar study was conducted by Kaleka (2011), who found that information is likely to spread cross-functionally and update the product development processes, thus contributing to the development or refinement of exported products for ease of delivery and after-sales service in overseas markets.

The themes that emerged from this case create interesting points for discussion. First, the researcher discovered the high-power distance between the top management and the employees. In addition, the firm structure seems to be centralized, which may be antithetical to the market orientation of the firm (Day, 1994; Lawson & Samson, 2011). In contrast, Vorhies (1998) found that firms with more centralized decision-making structures and more formal work rules demonstrated higher levels of marketing capabilities development. This study's findings support the first viewpoint that centralization obstructs the development of DMCs. Nevertheless, the renovation project helped with closing the power distance gap in the firm as it let the TMT work more closely with the operational level staff. This interaction was also found to motivate employees to learn from the top management and their networks.

Second, this research showed that Surapon Foods maintains its DMCs by continually assigning projects to its employees. This finding is in accord with previous studies which have shown that DMCs may be an iterative process (Ambrosini et al., 2009; Helfat & Peteraf, 2003). The third theme the researcher found is that Surapon Foods is the only firm that applies monetary incentives to maintain its DMCs. Lawson and Samson (2011) also confirmed that highly innovative firms constructed a reward system to foster creative behavior, including a "dual ladder" system, suggestion schemes, public recognition, and financial bonuses. Lastly, Surapon Foods responds slowly to market changes as it focuses on producing on an industrial scale. However, this firm responds very quickly when it receives customer feedbacks, especially in relation to quality. Hence, Surapon Foods has very strong sensing capability with regard to customer value delivery (Day, 1994).

Overall, the findings from Surapon Foods concur with the research of Malik and Kotabe (2009), who said that organizational learning, reverse engineering, and manufacturing flexibility are dynamic capability development mechanisms that drive significant impacts on emerging market firm performance. In addition, Krasnikov and Jayachandran (2008) observed that marketing capability has a positive impact on operational capabilities.

4.4 Case 4: WORLDFOODS

4.4.1 Profile

WORLDFOODS was established in 2003 in the form of a strategic partnership between The Siam Agro Industry Pineapple and Others Public Company Limited (SAICO) and Asian Asset Group (AAG). SAICO is a Thai firm that opened its first production facility in 1978 in the Province of Rayong. By 2018, it had more than twenty-three factories around Thailand processing canned pineapple for both domestic and international markets. SAICO is ranked the largest exporter of canned pineapple and pineapple juice concentrate in the world. AAG is a Malaysian investment holding company and is divided into three core business sectors: marketing, international trade & brokering, and investment & business management. WORLDFOODS was established by a strong and enthusiastic research and development team at SAICO combined with the international marketing capabilities of AAG.

A pioneer in the fusion and Asian food industry, WORLDFOODS first entered the UK market in 2004. The firm has seen an explosion in the demand for fusion food resulting in new North African, Asian and Mediterranean restaurants being opened in the Asian cities of Shanghai, Hong Kong, Malaysia and Singapore as well as in France, the UK and the US. The firm has a variety of products aimed to respond to customers' wants future demands. By anticipating customers'future wants, the company is able to respond immediately when those demands materialize. As of 2018, WORLDFOODS was already exporting to many countries. In terms of research and development, the firm focuses on selecting natural ingredients to ensure high quality standards. The main products are sauces made from fresh ingredients and traditional herbs and spices. The firm categorizes its customers into two group, namely chefs and busy homemakers. Its product portfolio includes 51 types of Asian dipping sauces, pastes, noodle sauces, stir-fry sauces, cooking sauces, marinades, chutneys and salad dressings.

During the data collection period in 2016, the researcher obtained the data from five WORLDFOODS respondents from Thailand and one AAG representative from Malaysia. This research focuses on the company's marketing activities to

investigate how it develops and maintains its dynamic marketing capabilities to respond to local and international markets.

Table 4.15 WORLDFOODS's respondents

Position	**WF_1 Chairwoman**	**WF_2 Global Business Director**	**WF_3 Marketing and Business Development Executive**	**WF_4 Sales Executive**	**WF_5 R&D Officer**	**WF_6 QA-R&D Manager**
Times	1	1	2	1	1	1
Length of service (Data collected in 2016)	30 yrs	4 years	6 years	2.5 years	16	27 years

4.4.2 Findings

WORLDFOODS's dynamic marketing capabilities

The local and international marketing activities of WORLDFOODS reflect its capabilities of utilizing both local and international marketing knowledge to found international partnerships and continually expand into new markets.

Market opportunities (sensing)

The demand for Southeast Asian foods has been high in Western markets since 2000 as many Westerners have had a chance to experience Southeast Asian foods from their travels. This insight into international market trends during that time enhanced the foundation of WORLDFOODS. It was from the connection with its Malaysian partner that it already had business relationships with UK retail chains such as Tesco and Sainsbury's. This sensing capability allowed both founding partners to see market opportunities. After launching the products in international markets, new trends developed in healthy foods, such as vegan, gluten free and organic food, in both Thailand and Malaysia. Recently, WORLDFOODS's products have been available both

in international markets and in the two partner companies' home countries as premium products.

Ability to identify the organizational challenges (sensing)

The interviews were conducted during the US election period at the end of 2016. This global political environment was mentioned during the interview with the Malaysian partner as changes to international trade policies may affect the market expansion of products from Asia.

Marketing knowledge

The partnership strengthened the marketing knowledge of both parties as the Thai partner is an expert in the food manufacturing industry and has operational capability in Thailand while the Malaysian partner is an expert in international retail marketing. Working together allowed the two partner companies to exchange and generate ideas for developing new products.

"My company was actually in the supermarket business all the time, since in the early 80s. And we have always been supplying supermarkets." (Global Business Director/Malaysian Partner)

NPD

In terms of new product development, the R&D department typically takes a long time to develop a new product because one product has only one formula that is used to serve the global market.

"There are more than 60 formulas in the WORLDFOODS project, of which we do not sell them all. They are only some formulas that we manufacture." (QA-R&D Manager)

The findings from this research reveal a cross-functional marketing process in NPD. All departments participate along the process until the launch of new products.

"Procurement comes to find raw materials; production does the production; QC does the checking; logistics helps distributing the products; and document does the invoices." (Marketing and Business Development Executive)

Many formulas are developed within the NPD process as a contribution that starts from the executives, marketing team and R&D. Figure 4.28 shows how the WORLDFOODS team develops new products in response to the requirements of international markets. The cross-functional team gathers marketing knowledge from

overseas distributors, trade fairs, market visits, educational institutions, and the TMT's networks. They share the knowledge in meetings held on a bi-weekly and monthly basis. In this step, the sales and marketing team constantly collaborates with operations to prepare the product formulas that will be sent to the R&D team to create demo products. The marketing team will test all of the demos until a final demo is approved. These steps are interactive as the team needs to go back and forth between steps to ensure that the final product will meet the market demand.

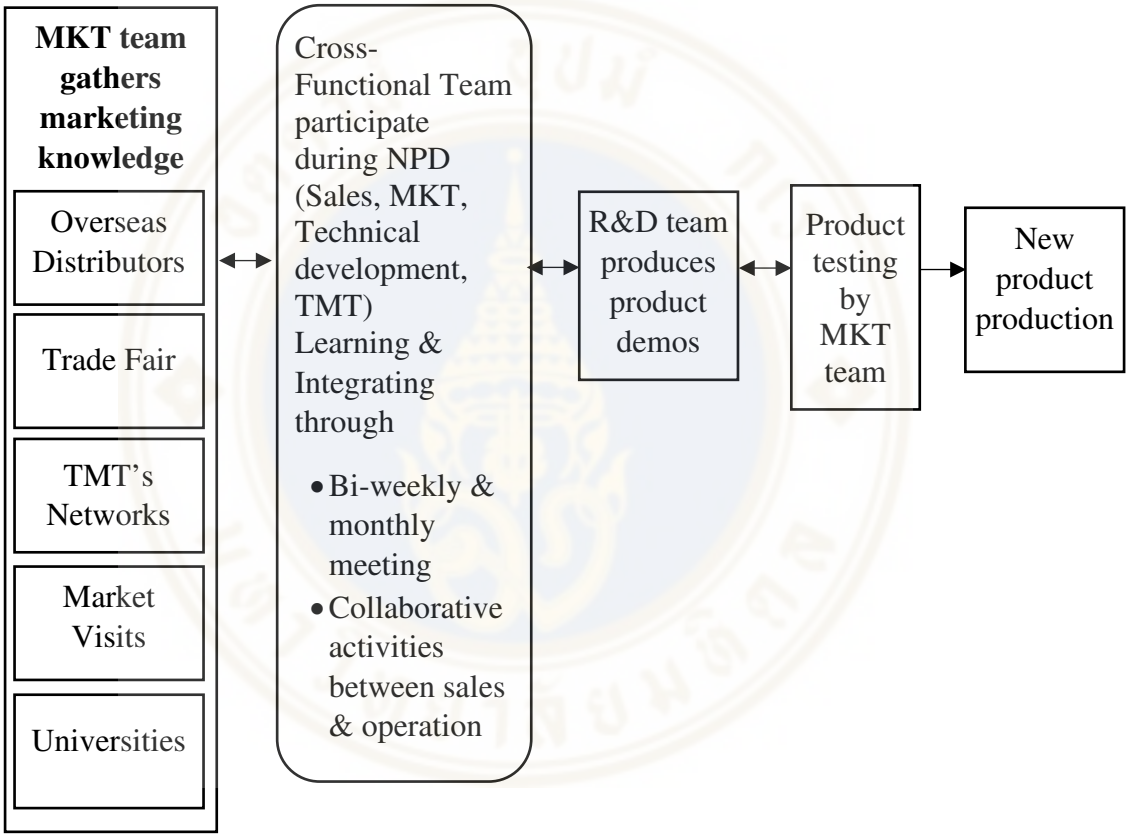

Figure 4.28 WORLDFOODS new product development

Intelligence generation (sensing)

Starting from conceptualizing the popular free form sauces that suit the mainstream market, the firm sees that the healthy trends such as vegan and gluten free have gaps to be filled. The international market research is carried out mainly through the market surveys by the chairwoman and the Malaysian partner. At the local level, the marketing and business development executive, sales executive, and the global business

director's assistant observe the local markets by talking directly to customers and distributors. This sensing capacity also enables WORLDFOODS to minimize the international market restriction from developed regions such as the EU in terms of food standards because its products contain only high-quality natural ingredients which are free from dairy and animal products. In addition, WORLDFOODS follows the trends reported by marketing agencies as well as generating additional marketing knowledge through market visits, attending trade exhibitions, and learning from industry partners.

"Buying research notes is too expensive in that sense. It is more of, I mean, in the sense is-- take the trial and error, attend exhibitions be part of the exhibitions." Global Business Director (Malaysian Partner)

Dissemination (learning, integrating)

The way the company transfers marketing knowledge is informal as it works in close-knit teams and its partners are old friends. However, the knowledge sharing between the two partner companies occurs during the dissemination of the market intelligence process in their market orientation activities. Communication in the partnership collaboration is mainly between the chairwoman and the global business director as they have been friends for a long time. Other than this, all team members have a monthly tele-conference meeting and constantly communicate via email and reports. In terms of face-to-face meetings, the marketing and business development executive and sales executive meet in person with the global business director once a year. In the part of NPD, the R&D team works closely with the marketing team to develop the new products that suit the international customer trends. This NPD process requires all teams to embed the new knowledge and deploy their resources into the new operation.

Responsiveness (coordinating)

Customer relationship management (CRM) is revealed as the responsiveness of the firm. WORLDFOODS focuses on educating the customers because its products are sold in foreign markets. WORLDFOODS aims to cater to customers' lifestyles by providing products that they can use in their "fusion" cooking, such as combining Western pasta or burgers with WORLDFOODS's Asian sauces.

"You cannot tell an American to go and eat Korean rice every day. So, what we are trying to incorporate into their lifestyle in using our products." (Global Business Director/ Malaysian partner)

Indeed, importers and distributors play an important role in WORLDFOODS's international marketing which is mainly the responsibility of the Malaysian partner. For the responsiveness in the domestic market, the company uses point of purchase, brochures, and social media to accelerate its sales, which are focused on the premium market. These response implementation steps require the firm to coordinates its resources to engage with its customers though CRM schemes. Figure 4.29 to 4.33 show WORLDFOODS's social media channels for its international markets. These channels are used to educate, communicate, and engage with its customers.

Figure 4.29 WORLDFOODS Facebook channel for the international market with 26,492 followers

Source: Data collected on 4 August 2018

Figure 4.30 WORLDFOODS Facebook channel for the Thai market with 16,707 followers

Source: Data collected on 4 August 2018

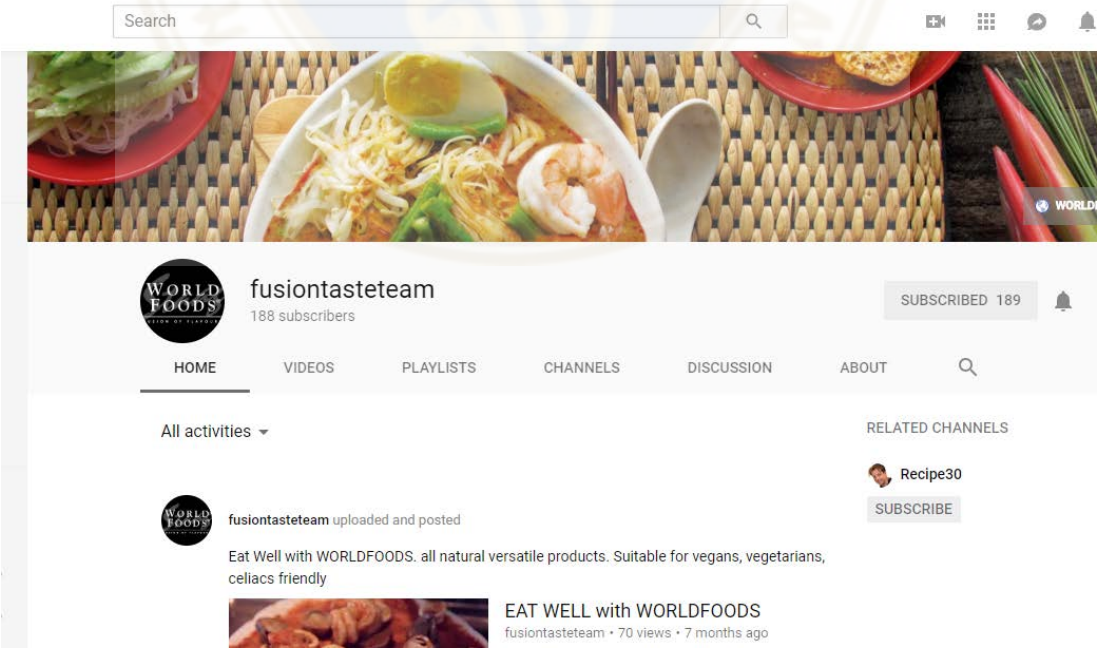

Figure 4.31 WORLDFOODS Youtube Channel with 188 subscribers

Source: Data collected on 4 August 2018

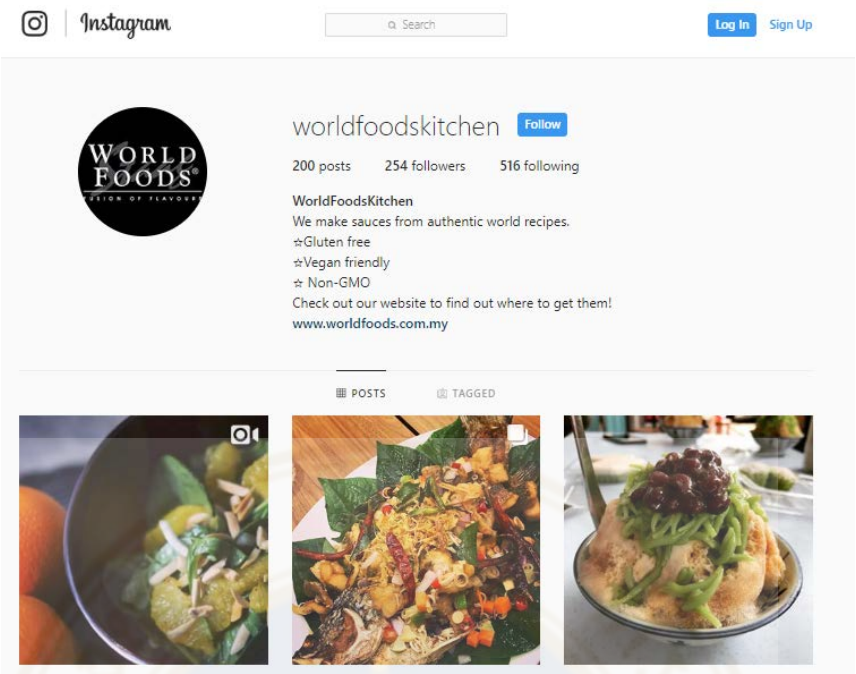

Figure 4.32 WORLDFOODS Instagram channel with 254 followers

Source: Data collected on 4 August 2018

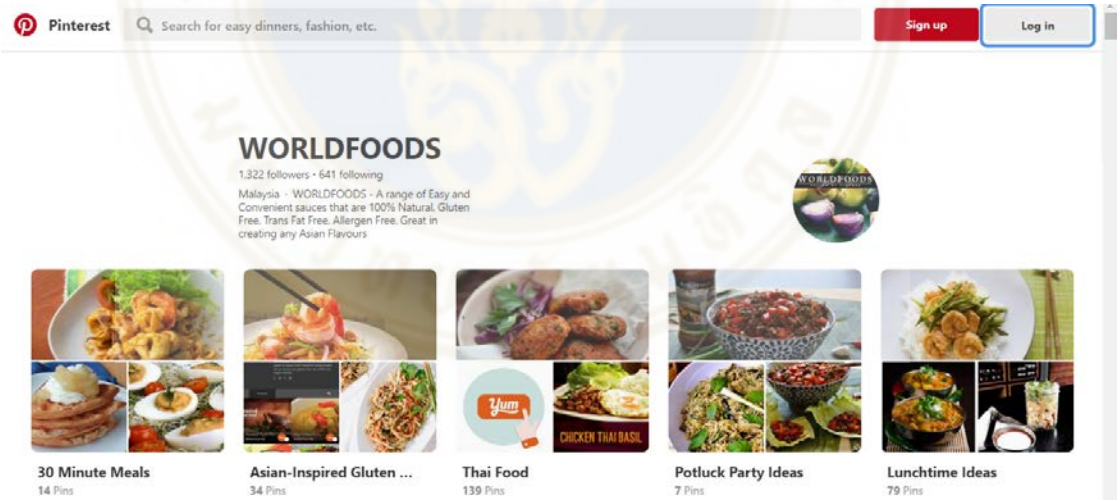

Figure 4.33 WORLDFOODS Pinterest Channel with 1,322 followers

Source: Data collected on 4 August 2018

Role of management team

Tmt's commitment

The TMT at WORLDFOODS involves only a few people from each partner firm, so the chairwoman and the global business director participate fully with the staff,

mainly focusing on sales and marketing activities with support from other departments such as R&D, production, and logistics. The TMT leads all the marketing activities due to their solid experience and connections. As a result, the employees do not have much chance to learn as they do not have opportunities to perform at the higher levels. However, the employees can still develop themselves through the NPD process.

Environment and network relationships

As one of Thailand's prestige exporters, the Thai partner's mother firm has a good relationship with the Department of International Trade Promotion, Ministry of Commerce. This network that includes government agencies helps to create a number of connections from trade exhibitions, which results in marketing knowledge sharing within the food industry.

Organizational culture

Driven by passion

"I like it when food makes everyone united." (Sales Executive)

An interview with one partnership team member revealed that both partners are passionate about foods which results in their open working environment with a learning organization culture. Indeed, the representative from the partner firm explained the learning culture of the team.

"We are still learning. It will be never-ending, how we say? A learning process because the market keeps on changing." (Global Business Director-Malaysian Partner)

Dynamic marketing capabilities development

The comments from the interviews indicate the crucial role of the TMT in the capabilities development process. The marketing knowledge mostly comes from the chairwoman and the partner firm. Training is encouraged and supported by the top management.

"The top executives never decline when we want to join the training provided by the Ministry of Commerce." (Marketing and Business Development Executive)

Apart from the underlying process for developing the DMCs, the development of WORLDFOODS's capabilities mainly comes from the leaders of partner firms, the chairwoman, and the global business director. They motivate the team

members and support their competency development by sending them on field trips, to training, and to exhibitions. The TMT not only act as the boss but rather they are a knowledge provider and supporter of the employees, especially in terms of DMC development.

Dynamic marketing capabilities maintenance

The findings regarding the maintenance of DMCs at WORLDFOODS reveals the iterative process of DMC development. However, putting into practice what they have learned from the training was mentioned as a way to maintain their DMCs.

Dynamic marketing capabilities consequences

Marketing activities in both domestic and international markets have brought WORLDFOODS to become a recognized brand in the global market. In addition, WORLDFOODS's products can enter the market from the existing SAICO customers. As a result, this partnership firm is able to access more markets in several countries, including major developed markets. This DMC consequence demonstrates the positive impact on the brand awareness for both SAICO and AAG from different functions responding collectively to the challenging overseas markets together.

Table 4.16 WORLDFOODS's within case display

Themes emerged	Role of top management	Employee reactions	Influence on the DMCs underlying process
Learn from the TMT	TMT has solid experience in the industry and international markets. Hence, they do not only act as the boss but rather they are **knowledge providers and supporters** of the.	Employees develop themselves through the NPD process. However, **they do not have opportunities to perform higher level tasks**, which affects the development of DMCs.	(-) Employees could **sense** and **learn** new MKT knowledge; however, this may limit them in terms of seeking new knowledge themselves. (+) NPD process lets employees **integrate** the new knowledge obtained and **coordinate**

Table 4.16 WORLDFOODS's within case display (cont.)

Themes emerged	Role of top management	Employee reactions	Influence on the DMCs underlying process
	employees' DMC development		resources and capabilities into the routines.
Application of new knowledge into practices	TMT requires employees to **put the DMCs into practice.**	Employees **apply DMCs** in the NPD project by applying the new knowledge into the operational routines.	(+) After the **sensing** and **learning** processes, the employees have to **integrate** and **coordinate** knowledge and resources into the practices.
Passion leads the desire to learn	The TMT is passionate about foods. They try to **create enjoyment** for the team when working. Also, this influences the **recruitment process.**	Employees work in an environment that supporta their motivation to learn.	(+) The passion enhances all the underlying process capabilities.
Partnership between longtime friends	The TMT members **works closely** with each other through visits and fairs.	Employees also **feel close** to the Malaysian partner.	(+) This partnership gives employees access to opportunities to **sense** and **learn** new marketing capabilities. The resources and capabilities are also **integrated** and **coordinated** collectively, hence increasing the DMCs.

WORLDFOODS: Quality check protocol to verify conformability

Table 4.17 WORLDFOODS quality check protocol respondent

Respondents	Motives
Marketing and Business Development Executive	Selected as the representative of the organization. She plays a very important role in NPD activities under the domestic and international markets expansion project.

Quality check overview

After completing the case, the researcher sent the findings to the firm to verify their accuracy. The Marketing and Business Development executive was selected as the representative of the organization. She has an important role in all NPD activities. She reviewed the case and sent in her feedback in written form. The findings stated within this case were then adjusted according to this feedback from the firm.

Verifying casual network

The researcher sent the casual network framework applied in the firm's renovation process during the quality check protocol. There were comments regarding the actors participating in the part of sensing, learning, and integrating processes. These comments were carefully re-analyzed in the revision of the final framework.

Increase triangulation

The quality check protocol encouraged the researcher to investigate the new sources of information on WORLDFOODS's social media. These data were triangulated with other sources, which helped the researcher to revise how the firm constantly develops its DMCs for both domestic and international markets.

Missing data

No instances of missing data were raised in the feedback during the quality check protocol.

Disagreement

A disagreement regarding the consequence of DMCs was identified in the feedback during the quality check protocol. This was useful to help the researcher see different perspectives from the respondents. The issue was solved by reviewing the

media sources and asking the respondent to clarify the criticism. In this respect, the researcher used a discretionary option to respond to the comments made.

Case update

There were no updated data from firm's representative.

Data saturation

A total of six interview sessions were held together with a careful analysis of various sources of data including feedback notes, media sources, office visits, market visits, informal conversations with the respondents, and finally the quality check protocol. These practices helped the researcher reach the stage of data saturation. This study is able to answer the question of how WORLDFOODS develops and maintains its dynamic marketing capabilities. The frameworks and findings were verified and there was no disagreement and no new information revealed after the quality check protocol.

4.4.3 Discussion

A partnership that started from a friendship has brought a number of advantages to WORLDFOODS. Both SAICO and AAG have the intensity of network ties that later provided access to international marketing knowledge for the partnership business (Macpherson et al., 2004). This observation is complementary with the findings of Helfat and Peteraf (2003) who stated that teams with a history of interaction may have pre-existing routines for interaction, which positively fosters their dynamic capabilities. In addition, this finding also aligns with the study of Fang and Zou (2009), who provided empirical support for the effect of MDCs on the performance of IJVs. Combing the R&D and production of SAICO with the international marketing capabilities of AAG, WORLDFOODS was established based on these strengths that foster the firm to develop new products continually for serving various markets. This is the result of tacit knowledge, as the two owners represent the second generation of their businesses; hence, this tacit knowledge has been embedded long-term in their capabilities (Grant, 1996; Morgan, 2012).

The networks of the TMT play a great role as sources of knowledge in this case. Previous studies also produced similar results confirming that the social capital from micro and macro networks is a driver of marketing capabilities (Kemper et al.,

2011). The full involvement of WORLDFOODS's TMT provides its employees with access to the marketing knowledge. Eriksson (2014) and Macpherson et al. (2004) agreed that the benefit of top management's networks is the access they provide to information and resources. In addition, their social capital, especially their connections with international retailers and importers, foster the distribution capability of the firm (Vorhies & Morgan, 2005).

There are emerging themes regarding the DMC development found in this case. The first such theme is the full involvement of the TMT. This is advantageous in terms of embedding marketing knowledge into the underlying process as suggested above. The similar studies of Eriksson (2014) and Evers et al. (2012) also revealed that the on-going involvement of the TMT and certain stakeholder positively influences the process of capability development. However, the decision-making seems to be centralized and so antithetical to market orientation (Day, 1994). The second observed theme is the focus on passion in the industry. The TMT mentioned that they consider this matter in the process of recruitment. This aligns with the study of Gebhardt et al. (2006), who found that in order to create MO, the firm tends to hire believers and remove dissenters.

In order to maintain its DMCs, the application of new knowledge into practice is required in this firm. Indeed, this result concurs with previous studies which have shown that learning-by-doing, experiential learning, application into the operational routines, and straightforward knowledge sharing are crucial to maintaining these capabilities (Eriksson, 2014; Macpherson et al., 2004; Rogers et al., 2005).

4.5 Case 5: Tesco Lotus Thailand

4.5.1 Profile

Establishing in 1994, Tesco Lotus is currently the second largest international business of the Tesco Group, serving more than 12 million customers every week in over 1,900 stores across Thailand (Tesco Official Website, 2018). Over 50,000 people are currently employed as full-time staff of Tesco Lotus. The company's vision is "Lead the change to a new era of retailing through various channels, while always

placing utmost importance on customers." It aims to achieve its purpose of "Serving Thailand's shoppers a little better every day" through three core values: 1) no one tries harder for customers; 2) we treat people how they want to be treated; and 3) every little helps to make a big difference.

Tesco Lotus operates three businesses in Thailand: retail business, retail services, and financial services. This case focuses on its retail business, which includes Tesco Lotus Extra, hypermarkets, department stores, Talad, and Express, together with an e-commerce platform that enables customers to order from over 20,000 grocery, fresh food and non-food products online for home delivery. In addition, more than 8,000 product lines are available on Lazada, Southeast Asia's leading e-commerce portal.

Tesco Lotus has a commitment to help customers save on their shopping by offering quality products at affordable prices. One of the company's successful marketing initiatives is the Tesco Lotus Club Card with around 15 million members benefiting from its Thank You program. During the data collection period in 2016, Tesco Lotus was focusing on increasing its digital communications by creating a good shopping experience for its customers such as through the Tesco Lotus mobile application with e-coupons and by applying QR Codes on fresh food labels with information about the product origin and nutritional facts. Tesco Lotus actively uses digital media to communicate with its customers. In 2017, Tesco Lotus was one of the top official LINE accounts in Thailand with approximately 33 million fans (Brand Inside, 2016).

Figure 4.34 shows Tesco Lotus's Digital Positioning Performance in 2018. Tesco Lotus has been the number one retailer in Thailand during the past 5 years (2014-2018). It also ranks number one in online grocery shopping with over 20,000 products, and number one in shopping online via Lazada with over 9,000 products on Thailand's top e-Commerce platform. In addition, the retail giant is number one for Facebook Fans with over 4.1 million fans with the highest engagement (Tesco Lotus Facebook Fan Page, 2018). Tesco Lotus also has 33 million fans on the LINE application (Tesco Lotus, LINE Channel, 2018). On both Facebook and LINE, information about promotions can be sent directly to each fan (Brand Inside, 2016; Tesco Lotus Official Website, 2018).

Figure 4.34 Tesco Lotus's digital positioning performance in 2018

Tesco Lotus's digital platform

Figure 4.35 shows Tesco Lotus's digital platform, which is divided into 2 teams: e-commerce and digital connection. These teams focus on three main strategies: 1) continue to innovate for customers, 2) maintain leadership, and 3) substantially grow sales and increase penetration. The company's e-commerce activities involve transactions on the Tesco Lotus Shop Online, Shopee, and Lazada. Digital Connection is a communication tool used for customer relations management (CRM) through a number of channels, namely mobile applications, Facebook, and LINE. Figure 4.36 to 4.38 are examples of digital connection channels that Tesco uses to develop relationships with its customers. Using multiple channels allows Tesco to remain the number one hypermarket in the country.

In this case, the researcher conducted the interviews with eight executives mainly from the digital connection team coupled with customer insights and the e-commerce teams. Digital marketing activities are the focus of investigation in order to understand how the firm develops and maintains its dynamic marketing capabilities to respond to the rapidly changing market environment.

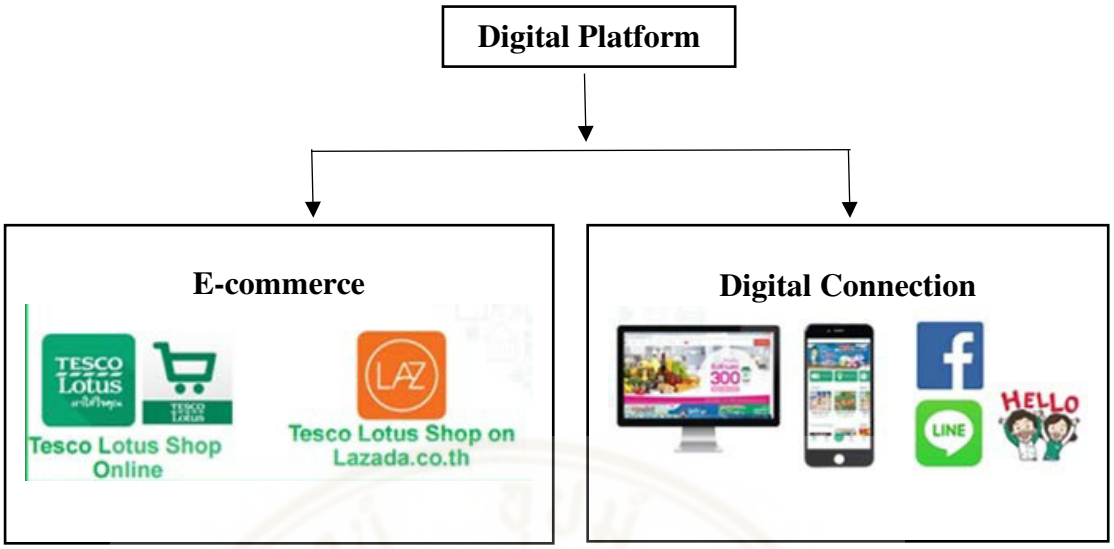

Figure 4.35 Tesco Lotus's digital platform

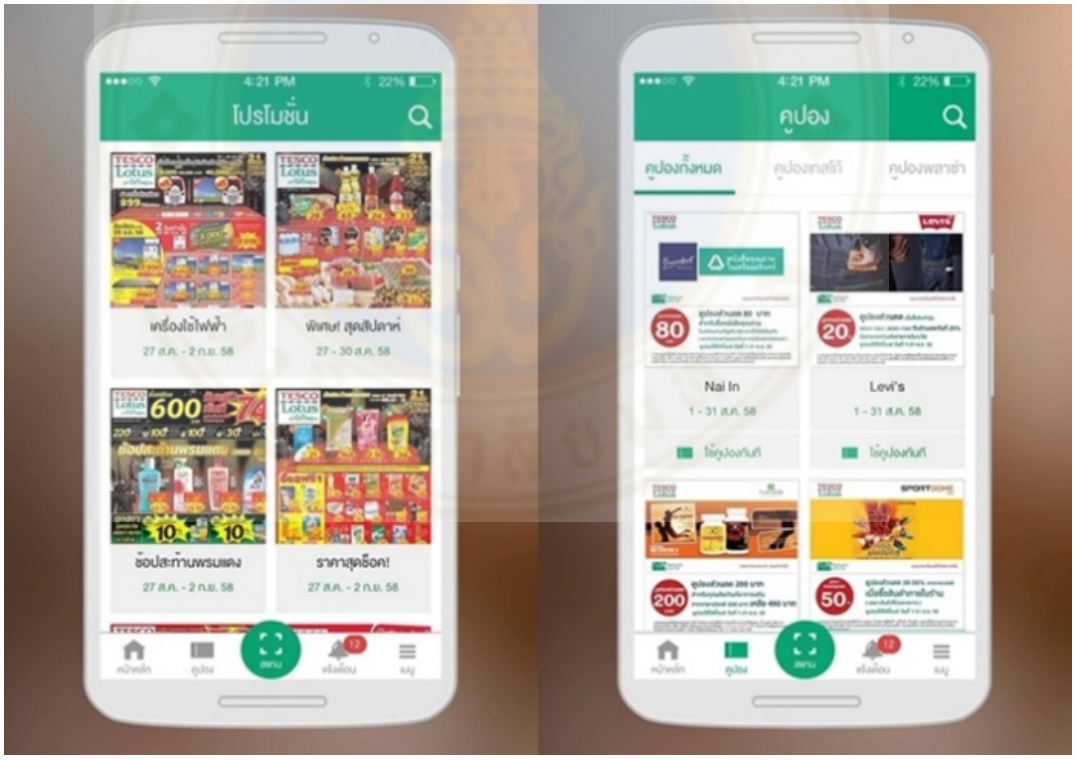

Figure 4.36 Tesco Lotus's mobile application

Figure 4.37 Tesco Lotus LINE channel with 33,009,035 friends

Figure 4.38 Tesco Lotus Facebook Channel with 4,183,402 followers

Table 4.18 Tesco's respondents

Position	TC_1 VP e-commerce and digital connection	TC_2 Head of MKT-Digital	TC_3 Head of Customer Insight	TC_4 Customer Insight Manager	TC_5 Digital Manager (LINE)	TC_6 Digital Manager (Mobile Platform)	TC_7 E-Commerce Marketing Manager (Grocery Home Shopping)	TC_8 Merchandise Planning Manager
Times	2	1	2	1	1	1	1	2
Length of service (Data Collected in 2017)	3 years	2.5 years	1.5 years	1 year	8 years	2.5 years	2.5 years	10 years

4.5.2 Findings

Tesco Lotus dynamic marketing capabilities

Figure 4.39 shows how the Tesco Lotus Digital connection team works with other teams to create the CRM tools and respond to the customers. The digital and e-commerce teams obtain their market intelligence from three sources, namely the voices of the customer team, customer insight team, and the firm's networks. They disseminate this knowledge through weekly meetings and informal communication channels. To respond to the dynamic market, the Digital & E-Commerce and IT teams utilize the knowledge obtained to develop new CRM tools. All of these tools will be tested with sampling until the demo is finalized. These steps are interactive, as the weekly update and dynamic informal communication require everyone to obtain the new knowledge for updating the teams. In addition, the nature of the retail industry requires the digital team to interact with the market all the time.

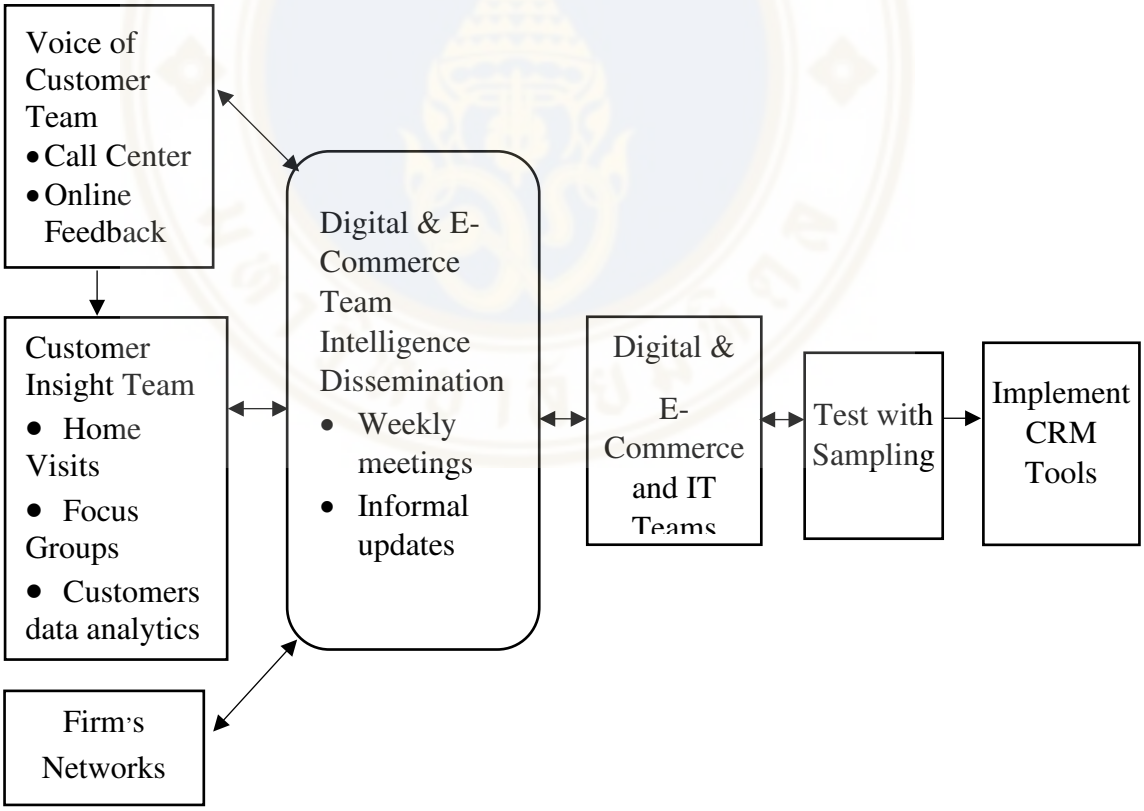

Figure 4.39 Tesco digital CRM

Creating cutting edge innovation to develop better customer experiences

The digital communications platform was established in 2014 in response to the changes in communications methodology and technology that took place in the digital era. At the beginning of this new venture, Tesco Lotus sought to hire experts from external sources as well as selecting some talented personnel internally to form the digital connection team. In 2017, this team consisted of ten members who were specialists in the various digital communication channels, such Mobile Applications, Facebook, and Line, all working together with the e-commerce and the customer insights teams.

The innovation focused on creating engagement and interactive responses to a market that had fully shifted into the digital era, while also looking to resolve the limitations of the traditional club card.

"For the present day, the Club Card is not very convenient. That's why they launched a mobile application for Tesco Lotus." (Head of Customer Insight)

The highlight innovation found in the team's activities and initiatives was the implementation of I-Beacon, which a type of the technology for sending messages to customers. It works like a Micro GPS in the department stores. The customers will get the relevant information for wherever they are walking within the store. This innovation helps to make shopping easier for the customers. For other channels, such as Line and Facebook, these are used for different purposes. The main purpose of Line is for promotion. It is mostly used to promote things, unlike on Facebook which is used for engagement.

Market opportunities (sensing)

The DMC activities of Tesco Lotus reflect its sensing capability as the company formed a team to maintain its positioning as the number one hypermarket in Thailand as well as the innovation leader. In addition, the firm recognizes the importance and popularity of its small format stores, such as Tesco Lotus Express and Talad Tesco Lotus, while also paying attention to how the online trend is still growing. Thailand ranked in the world's top ten for social media statistics in terms of network usage and consumer adoption growth in 2017 (Bangkok Post, 2017). As a result, social networking has had a tremendous impact on users and brands in Thailand. More

specifically, Bangkok was the world's biggest city for Facebook users in 2017 with 27 million users. To respond to this market, Tesco Lotus has been developing its digital connection platform to deliver a superior customer experience in the present and in the even faster changing environment of the future.

Ability to identify the organizational challenges (sensing)

During the interviews, the key informants from Tesco Lotus identified the slow growth in the hypermarket section and some gaps in the responsiveness of the organization as their challenges.

Marketing knowledge

Due to the size of its business, Tesco Lotus has the ability to invest in human capital to ensure the thorough investigation of the market and customer insights. The researcher also interviewed two key persons from Tesco Lotus's customer insight team, who are responsible for providing all the information regarding the marketing knowledge to all departments in the organization. In addition, the company also has an in-house research department to conduct small- to medium-scale research. However, Tesco Lotus also uses agencies such as AC Neilson for large-scale research to ensure it covers all levels of marketing knowledge. Apart from these sources of marketing knowledge mentioned above, the digital connection team also gains knowledge from the team leader who regularly provides the team members with updates on the new market trends and encourages his team members to absorb and apply the marketing knowledge into their everyday practices. All marketing knowledge will be utilized in practice to serve the customers more effectively through innovative communication channels.

Cross-functional MKT process

All of the respondents confirmed the cross-functional process, which drives the firm to achieve its clearly-stated goal on how it can serve its customers in a better way.

"At Tesco Lotus, every team has the same goal: how can we service the customer better?" (VP e-commerce and digital connection)

This case highlights the practices of customer relationship management and market research in Tesco Lotus's cross-functional marketing process. All of the respondents mentioned the focus on serving their customers in a better way by

embedding the marketing knowledge obtained from multiple market research results and using the company's various platforms to engage the customers as a complement to other royalty programs such as the Club Card. The market research includes home visits, quantitative research, and focus groups. The researcher had the opportunity to sit in on a focus group meeting and participate in their discussions.

Intelligence generation (sensing)

Tesco Lotus identified the need to establish a digital connection and e-commerce team in order to respond to the digitalization era in Thailand. The team members acquire marketing knowledge mainly from the customer insights team, from their leader, as well as from their own personal motivation. Marketing knowledge is integrated into their CRM activities and the creation of digital CRM tools after the coordination of all resources.

Market research from both internal functions and external agencies plays a crucial role in this organization. However, digital connection activities assist the whole organization to get the market information faster. The respondents highlighted the importance of the "Voice of Customer" team, which receives customer complaints and utilizes them as a rich source of marketing knowledge.

Tesco Lotus voice of customer

The "Voice of Customer" team is a customer data center where all teams at Tesco need to deliver any customer-related problems and negative feedback they receive so that a solution can be found and relayed back to the customers. The firm also utilizes tactics for observing customer behavior online. In the weekly meetings, the digital team and the Voice of Customer team share their data on the complaints they have received from customers. All of the team members collect all this information and analyze it on a weekly basis in order to identify any gaps in their services. However, the Voice of Customer team members also communicate with the relevant people on a daily basis, not only in the meetings, because the company understands the need to respond quickly to its customers. The weekly meetings are more used to summarize and review what happened over the previous week and what action was taken. Everyone, however, works as a team, so if a comment is related to a specific person or team, they will handle it without waiting until the next weekly meeting.

Dissemination (learning, integrating)

The practice of knowledge management was observed during the interviews with the VP and head of this department. As Tesco Lotus is a subsidiary of Tesco, a company originally established in the UK, one of the sources of marketing knowledge is the best practices learned from the UK headquarters. In terms of knowledge management in Thailand, the customer insights team was established to manage all the data in one place. The knowledge is used to create innovative CRM tools. The team uses weekly meetings to share the information from the Voice of Customer team. However, the nature of the retail industry is highly dynamic. Thus, apart from its meetings, Tesco Lotus always communicates via other communications channels such as email, Line, and face-to-face informal meetings. All of the respondents stated that the communication within the team as well as across the organization at Tesco Lotus is fast because of the flat structure that consists of only six levels. During the dissemination step, all teams are required to embed the new knowledge and deploy their resources into the operations in order to be ready to respond in the implementation step.

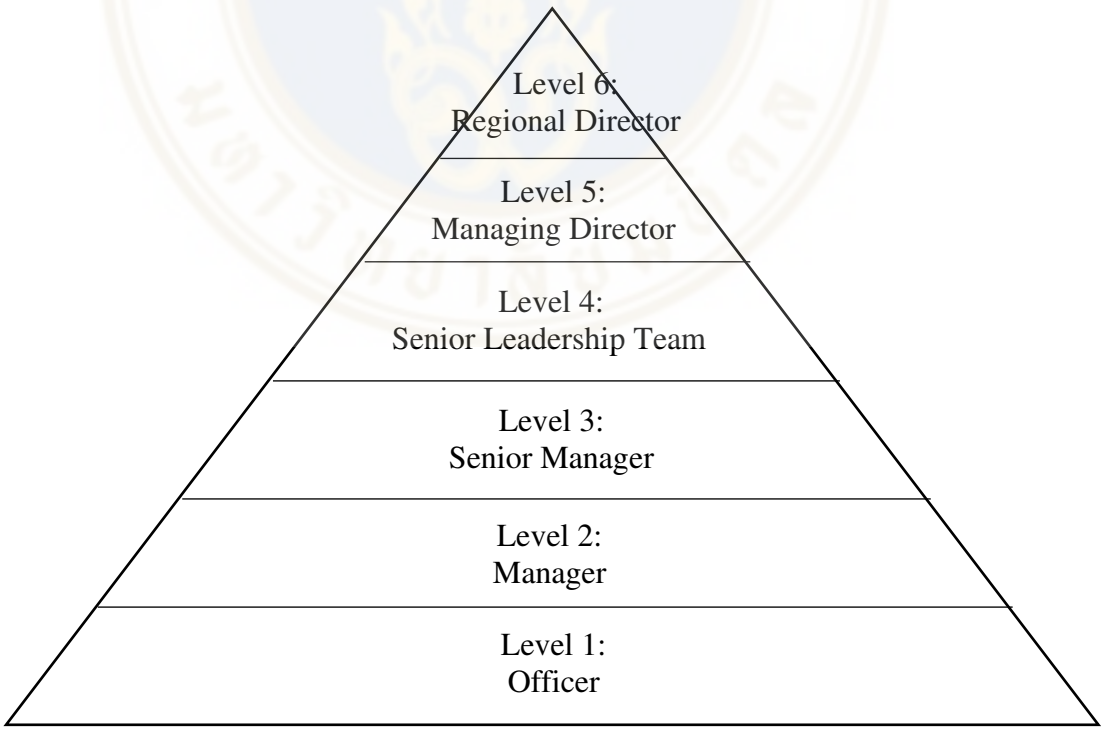

Figure 4.40 Tesco Lotus 6 management levels

Responsiveness (coordinating)

The findings revealed that the digital connection team was established to solve customers' pains as nowadays customers are quick to express their experiences on social media, which could affect the organization's reputation within a short time. Hence, the responsiveness of this team is highly dynamic and requires interaction between learning, integrating, and coordinating capabilities.

"Everyone realizes that the timing is critical for responsiveness" (VP e-commerce and digital connection).

"When I was still new, I was shocked like I had only 1-2 weeks to do things". (Head of Customer Insights)

This team's role is to handle the issues through digital channels and then take further actions cross-functionally. As a result, all issues are normally solved within a week. The comments above relate to the responsiveness to general customers' complaints that the organization faces on a regular basis. However, every response will be based on feedback from customer sampling. The organization always communicates and never just uses a gut feeling to do anything. For example, the team tests the message used for any campaign such as for the Mother's Day campaign.

The interviews were conducted at the beginning of 2017. However, another responsiveness matter that is worth reporting in this study is how the team responded to the situation of King Rama 9 passing away in October of that year. It was a time of immense sadness that impacted every single aspect of the country and certainly all businesses, especially with regard to the sensitivity of their corporate communications. As the digital connection team is the function that communicates with customers directly, it is worth noting how the team responded to this situation. The findings reveal that, at that time, all teams across the organization had to consult the corporate affairs department, not for only this sad situation but for all special issues.

Role of management team

Tesco Lotus is a big organization that separates its hierarchy into six levels. The management is divided under clear department descriptions. However, the different departments work collectively to create the dynamic marketing capabilities of the organization. Regarding the characteristics of the digital connection's executive, he is described as a transformational leader who is fully involved and supports his team

members. These characteristics help with creating a culture of trust, accountability, and psychological safety. All of the interviewed employees talked about him in a positive way as he is regarded as someone who not only leads, but also contributes, teaches, and inspires his people. This creates a positive dynamic among the team members. His statement from the quality check interview also reflects his transformational leadership style and reveals his commitment to the team.

"I want to say that when my team do a great job, I give them credit. However, if they fail I will also take responsibility together. No one wants to fail, but no one can always succeed in reality. The question is what we learn from failure." (VP-E-Commerce and Digital Connection)

Environment and network relationship

Tesco Lotus is highly focused on delivering the better customer experience. One way it aims to achieve this is through connections with local and global brand partners.

"As we are Tesco Lotus, so there are many people who want to join us. It is a kind of export opportunity for local partners." (Head of Marketing-Digital)

"We analyze things to see what we can or cannot do. There are vendor programs we run jointly with other vendors like Unilever, Nestlé, Pepsi or something like that. I will see what campaigns they have or what they want to give to grocery home customers." (E-Commerce Marketing Manager-Grocery Home Shopping)

The advantage of being a subsidiary also assists Tesco Lotus to get more international insights and best practices from the UK headquarters.

Organizational culture

The nature of the retail industry requires the firm to be dynamic and customer-oriented. This influences the organizational culture, which focuses on creating a fun and dynamic learning environment and psychological safety.

"We can deliver performance with fun." (VP e-commerce and digital connection)

A working environment that is fun and where team members are not competing with each other is used to create psychological safety among all team members. This research also revealed a learning organization culture whereby the firm allows employees to experience "trial and error". The selected quotes below reflect the

fun and dynamic learning environment that fosters psychological safety for its team members.

"Working at Tesco Lotus, we have the feeling that sometimes we may make some error but we can try again." (VP e-commerce and digital connection)

"In our company, the retail is very fast so we use the learning by doing method. (Digital Manager-Mobile Platform)

"The VP usually shares what is coming, what is good, and asks us if we can try." (E-Commerce Marketing Manager-Grocery Home Shopping)

In addition, the nature of the retail industry requires only the high dynamism of the organization, but also flexibility and collaboration among all functions. This was highlighted by the head and manager of the customer insights team.

"We have to understand the environment of the retail business, which requires a lot of flexibility and collaboration. That is why interpersonal skill is a must."

Dynamic marketing capabilities development

Learning organization culture

"Our VP always says that 'I believe we can go further'. He is like that. He keeps encouraging us - read this, study this, try it." (Digital Manager-Mobile Platform)

In addition to the underlying process of developing its DMCs, the findings from this case study reveal that the learning organization culture of Tesco Lotus plays a crucial role in the development of the firm's DMCs. The respondents listed a number of learning activities such as internal and external training, learning by doing, and motivating tactics from the team leader. Team members also attend internal and external training as part of its system. Some of the respondents mentioned that they receive technical skill training while some receive soft skill training. The "Helping Hand" program is one example that reflects a creative learning activity that Tesco Lotus uses to build the mindset of its employees. This program assigns headquarters-based employees to work in branch operations during traditional holidays such as Thai New Year when the branches are crowded and the operations staff in the store are very busy because the customers come in all the time. By doing this, the HQ staff will meet with customers and learn about their problems first-hand which results in them gaining marketing knowledge from the perspective of operations. This on-the-job training helps motivate employees to perform more.

Managerial factors enhancing DMC development

Hiring experts, applying a flat structure, and utilizing a common KPI system were all mentioned during the interviews. As Tesco Lotus is one of the most well-known MNEs in Thailand, this helps with attracting experts to join the organization. Tesco Lotus's flat structure that consists of only six hierarchical levels also motivates employees to develop their DMCs as they see an opportunity to grow in the organization. This results in better engagement and retention because employees feel secure in their position and supported by the firm.

Dynamic marketing capabilities maintenance

The findings on DMC maintenance were similar to those on how Tesco Lotus develops these capabilities. The answers reflect its learning organization culture and motivation as the factors that help with maintaining these capabilities. However, after training reports and personal development plans also create a sense of commitment among the team members to maintain the levels of their capabilities. This was mentioned by one of the team members.

"After the workshops, we just record what we are going to do. It's very clear so it is like a commitment from the workshops." Digital Manager (LINE)

Dynamic marketing capabilities consequences

Maintaining the status as a leading player in the market

Despite the challenging economic situation in Thailand, Tesco Lotus still shows healthy growth in sales, market share, and customer numbers, all of which are attributed to the company's firm focus on its customers. Tesco Lotus serves more than 12 million customers every week in over 1,800 stores across Thailand, while it also has a strong fan base on its online platforms. The Digital Manager (Mobile Platform) commented on the numbers recorded in 2017. "For Tesco Lotus, regarding the scale, if we look at our Line, we will see that there are over a million people following us. We are the first in retail. And concerning Facebook, we have over 33 million and on the App we have over 2 million."

Strong brand positioning in serving the customers

The respondents revealed the outcomes of how their dynamic marketing capabilities support the market share, which is one of the major factors in sustaining Tesco Lotus's competitive advantages.

"If we were to compare between Tesco Lotus stores across Thailand, our brand is actually doing good in terms of both the market share and brand perception." (Head of Customer Insights)

Moreover, the company's DMCs also support it to create brand capability as stated by one crucial team member who is responsible for the most popular communications channel in Thailand.

"We mainly drive sales and brand love to make the customers feel good with our brand. We have talked a lot about promotions but brand love is important for making the customers feel good with our brand." (Digital Manager-LINE)

Table 4.19 Tesco Lotus's within case display

Themes emerged	Role of top management	Employee reactions	Influence on the DMCs underlying process
High investment in HR as the firm is a big MNE	Employee development and professional measurement tools are **provided by the organization.**	Employees feel **secure and supported** by the firm.	(+) The development schemes foster the overall underlying capabilities because the employees are motivated to deploy their competencies to achieve their KPIs.
Application of new knowledge into practices	The TMT encourages employees to **apply the DMCs developed** right away in their practices.	Employees apply the DMCs in the form of **projects and operational routines.**	(+) This dynamic norm lets the employees **sense** and **learn** new MKT knowledge and then **integrate** the knowledge and actively **coordinate** resources into new operational capabilities.

Table 4.19 Tesco Lotus's within case display (cont.)

Themes emerged	Role of top management	Employee reactions	Influence on the DMCs underlying process
Transformational leader	The TMT constantly shares marketing knowledge with employees and motivates them to **try the new practices.**	Employees strongly admire the team leader and **are not afraid to learn through trial and error and** to create new CRM tools.	(+) Employees are open to **sense** and **learn** new MKT knowledge and not afraid to **integrate** and **coordinate** resources into the innovation.
Six-level structure	The TMT **works closely** with the employees.	Employees are motivated to develop themselves because they **feel that they can grow** in the flat structure more quickly than in a tall one.	(+) The development scheme fosters the overall underlying capabilities because the employees are motivated to deploy their competencies to help them reach the upper levels.
Dynamic and Learning organization	The VP encourages employees to **learn and work fast** in the dynamic environment **with fun** and to support each other rather than competing.	Employees **enjoy the challenges** and perceive this as the nature of the retail industry.	(+) Enjoyment brings a motivation that fosters all underlying process capabilities as the employees are required to increase the speed of response into their routines.

Tesco Lotus: Quality check protocol to verify conformability

Table 4.20 Tesco Lotus Quality check protocol Respondents

Respondents	Motives
VP-E-Commerce and Digital Connection	Selected as the representative of the TMT and the leader of the project being studied
Head of Customer Insights	Selected as she plays a crucial role in sensing capability.
Merchandise Planning Man-ager	Selected as he works in different units and leads in the external online channel to verify the information from the cross-functional team

Quality check protocol overview

This case was reviewed by three respondents from different functions. They verified the information in the aspect of the cross-functional teams. Two of the respondents made useful comments on the CRM tool development process and provided more information on the tool testing. The leader of the digital connection team emphasized the important of customer insights over market insights. All of the respondents confirmed the findings regarding the DMC activities. The data stated within the case were reanalyzed according to the respondents' feedback.

Verifying casual network

The researcher showed the casual network of the CRM tool development to the respondents during the quality check protocol. The feedback from all three respondents indicated a need to re-classify the sensing activities. This feedback was valuable in the revision of the framework.

Increase triangulation

During the revisit, the respondents guided the researcher towards more media sources on the company's digital performance. These various sources helped the researcher to triangulate the data.

Missing data

The researcher requested data regarding the firm's revenues as Tesco Lotus is not listed in the SET. However, this information is not accessible as confirmed by the three respondents during the quality check interviews.

Disagreement

No disagreement was discovered during the quality check protocol.

Case update

There were no significant updates of information during the quality check protocol.

Data saturation

A total of eleven interview sessions were held together with a careful analysis of various sources of data including media sources, office and store visits, informal conversations with the respondents, and finally the quality check protocol. These practices helped the researcher reach the stage of data saturation. This study is able to answer the question of how Tesco Lotus develops and maintains its dynamic marketing capabilities to stay market oriented over time. The frameworks and findings were verified and there were no disagreements or additional information revealed after conducting a second round of interviews.

4.5.3 Discussion

As Tesco Lotus is a subsidiary of Tesco UK, the result of this case study link to the institutional theory that foreign firms are influenced by institutional environments (North, 1990). Hence, these firms must have DMCs to cope with both opportunities and constraints. Focusing on delivering the superior values to its customers, the Tesco Lotus team has developed its dynamic marketing capabilities through creating digital innovation that delivers the best customer experiences.

Starting from sensing capability, Tesco's employees have the luxury of extensive access to the market data. As a big firm, Tesco Lotus has the ability to obtain marketing knowledge from various sources, including the data from retail audit firms and internal market research conducted with its customers.

The results also reveal that the digital connection team leaders take a crucial role in creating a learning organization culture as they are knowledge providers. This

culture motivates the employees to try new practices. This characteristic is consistent with the observations from the previous studies of Jaworski and Kohli (1993), Lawson and Samson (2011), and Rogers et al. (2005), who noted that when the top management has the willingness to take risks, the firms are able to learn and create market orientation and capabilities. This trial and error acceptance norm helps the team to create a dynamic learning organization that responds quickly to the market. The openness in this culture creates a sense of psychological safety because it is accepted that people will make mistakes and they can both offer and receive criticism, which fosters innovation and market orientation (Atuahene-Gima, 2005; Gebhardt et al., 2006; Murray et al., 2010).

The findings from this case study show the human resources advantage that comes from being a big firm. Tesco hires experts in each digital area to form its digital connection team. The firm also provides training to all employees. These findings are aligned with the research of Morgan (2012) who found that human resources are in many ways one of the most critical inputs to a firm's marketing capabilities. In addition, this development scheme fosters the employees' loyalty, as they feel secure and have the opportunity to learn.

Another finding from this research is how the integrating and coordinating capabilities applied during the application of DMCs are developed into the operational routines. Innovative CRM tools are being created from the company's DMC routines, as employees are not afraid to deploy their vigilant marketing learning, adaptive market experimentation, and open marketing capabilities to respond to the new media environment (G. S. Day, 2011). This application of knowledge into practice is also a form of learning by doing (Helfat & Peteraf, 2003). As a result, this team is able to develop its innovation capabilities, which relate to the creation of completely new capabilities via exploration and path-creation processes (Dixon et al., 2014). This result is identical with the study of Lawson and Samson (2011), who identified the seven elements of constructing innovation capability: vision and strategy, harnessing the competence base, organizational intelligence, creativity and idea management, organizational structures and systems, culture and climate, and management of technology. In this case, the innovations that the digital connection team develop are the result of the organizational capability that comes from the advantages of being a big firm, such as its human resource advantage, the use of a professional KPI system, and

extensive marketing knowledge accessibility. In addition, having retail stores is a physical asset that is important to marketers (Morgan, 2012).

Another theme found from this case is that having a flat structure motivates employees to develop DMCs. This finding is consistent with the study of (Ayuso, Lenssen, Ángel Rodríguez, & Enric Ricart, 2006) that non-hierarchical structures and horizontal business processes backed up with deep functional strengths positively influence the development of capabilities. In contrast, Vorhies (1998) found evidence which contradicts the predictions that large firms with more centralized decision-making and more formal work rules demonstrate higher levels of marketing capabilities development.

Interestingly, the results with regard to knowledge management are aligned with the research findings of Kohlbacher (2007) and Kohlbacher and Krähe (2007) as Tesco Lotus shares marketing knowledge from its headquarters as well as tapping into the local knowledge to develop DMCs. Many CRM tools are developed by using market orientation to fit the local market. In this point, Leelapanyalert and Ghauri (2006) and (Kwon, 2010) empirically confirmed the DMC outcome that market orientation performs an important role in foreign subsidiary performance.

CRM capability is one of the marketing processes that should be driven cross-functionally, while innovation capability helps the team to achieve the goal. Previous studies have confirmed that this outside-in capability has both direct and complementary effects on not only revenue but also margin growth rates (O'Cass & Viet Ngo, 2011). This result concurs with the research of Wang et al. (2013), who analyzed the essential determinants of DMCs and proposed a model that includes market orientation, IT infrastructure capabilities, and use of IT to support CRM. The results of their study reveal the significant effects of a firm's market orientation and use of IT to support CRM and the functionality of IT infrastructure capabilities on its DMCs.

Indeed, this result also corresponds with a study of Tesco in Hungary and Slovakia, which found that this CRM capability is brought in from the subsidiary's UK head office and emphasizes customer needs. However, the fact that these values are brought in from the UK, rather than developed in the country where the subsidiary is operating, means they are set at a global rather than a local level. Remarkably, the results from this study and the study of Rogers et al. (2005) reveal that even though

Tesco subsidiaries in these emerging markets brought the values from its headquarters, the strategies used in each market differ, which reflects the market orientation strategy that triggers the development of DMCs in each country.

4.6 Cross-case findings

This section presents a cross-case analysis and compares the in-depth findings from five case firms in response to the research questions as well as the pilot study findings. Table 4.21 presents the descriptive data from the case firms being studied. Aiming to explore how dynamic marketing capabilities (DMCs) are developed and maintained in different real-world scenarios, this study selected case firms from multiple industries, ownership styles, firms' ages in both B2B and B2C contexts. The differences in the findings bring comprehensive empirical insights that contribute to the literature as well as providing actionable recommendations for managers in various industries and contexts.

Table 4.21 Descriptive data on case firms

Case	Srithai	Srichand	Surapon Foods	WORLDFOODS	Tesco Lotus
Industry	Tableware	Cosmetics	Foods	Foods	Retail
Firm Type	Large Thai MNE	Medium-sized Thai firm	Large Thai firm	International partnership between 2 large firms	Thai subsidiary of large British MNE
Firm Age (Year)	56	71	42	16	21 (Thailand)
Business Context	B2B, B2C	B2C	B2B,B2C	B2C	B2C

Impacts of emerging market environment

Operating in emerging markets can present a number of challenges. The issue that had the most significant impact on Srithai was the rapid modernization of emerging markets, including its home country of Thailand, as well as in other emerging markets in which it invests, e.g. Vietnam and India.Firm faced different impacts caused by the emerging market characteristics. For example, Srichand faced the challenges of an economic downturn and political instability during its rebranding phase, while the digital transformation in the market also resulted in the company increasing its online presence. Surapon Foods was affected by changes in the labor law, which made the cost of doing business higher. For WORLDFOODS, different levels of competition in different markets and linguistic barriers in its marketing communication were its main concerns. Meanwhile, Tesco Lotus had to overcome the digital transformation and the government measures that affected customer behavior in the country.

Overall, the differences in terms of the environment between the pilot findings and these five cases are that the pilot findings revealed a greater impact from political stability and the economic downturn. These changes may be attributed to the increase in political stability in Thailand as well as the rapid grow in disruptive digital innovation during the period from 2016 to 2018. In addition, the industry types were also different when comparing the firms participating in the pilot study and those in the multiple case studies.

Dynamic marketing capabilities of the firms

When comparing the five case firms, this study found that new product development projects were the key means of evoking dynamic marketing capabilities for the four of the investigated firms which are the headquarters for their company. This finding reveal expected by the author since normally NPD activities are performed by the headquarters and foreign MNEs are required to engage with customers. Table 38 displays the data regarding the projects that each case firm focused on during the data collection period. It also shows the logic, activities, type of marketing knowledge integrated, and executed cross-functional marketing process in relation to their dynamic marketing capabilities.

For Srithai, Srichand, Surapon Foods, and WORLDFOODS, new product development (NPD) was the key activity that promoted the development of their

dynamic marketing capabilities. Hence, this study is able to provide various examples of NPD projects that respond to different types of markets, and to show how firms develop dynamic marketing capabilities to aid the NPD processes. Marketing knowledge integration is the key logic relating to how firms' NPD activities promote the development of their dynamic marketing capabilities.

To develop new products that match the needs of highly-changing markets, the firms are required to obtain comprehensive marketing knowledge such as local and international market trends and insights into specific sectors. In addition, the results of this study found that the development of DMCs in its NPD activities also supported existing products development (EPD) for Surapon Foods. While having customer insights was necessary for Tesco Lotus, the subsidiary of the major retail firm from the UK also focused on different elements of the marketing process, specifically customer relationship management (CRM). Tesco emphasizes marketing knowledge in the aspect of customer insights and exercises it through the dynamic marketing capabilities process to innovate new digital applications to satisfy its customers.

Table 4.22 Dynamic marketing capabilities in case firms

Cases	Srithai	Srichand	Surapon Foods	WORLDFOODS	Tesco Lotus
Project	International expansion	Rebranding	Operation process renovation	Local and international marketing activities	Digital communication platform development
Dynamic marketing capabilities logic	Obtaining marketing knowledge from each market and responding through cross functional	Using marketing knowledge to transform the organization as a whole from its core values, strategies, and	Integrating marketing knowledge to improve production capability	Utilizing local and international marketing knowledge to found an international partnership and continually	Utilizing marketing knowledge to develop better customer experiences by creating

Table 4.22 Dynamic marketing capabilities in case firms (cont.)

Cases	Srithai	Srichand	Surapon Foods	WORLDFOODS	Tesco Lotus
	team members	operations to various dynamic marketing activities		expand the markets	cutting-edge innovation
Activities	NPD process	Organization renewal and NPD process	Improving production to support NPD	NPD process between Thai and Malaysian partners	CRM: Creating engagement and interactive responses to the market
Marketing Knowledge	Each market's customer insights	-Cosmetics customer behavior - Brand engagement - Product personalization - Market segmentation	International and local market trends	International market insights in the grocery store sector	All levels of marketing knowledge -Customer insights -Market insights
Cross-functional marketing process	-Market Visits -NPD	-NPD -Supply chain management -CRM -Market research	NPD	NPD	-CRM -Market research

The results across all cases show that dynamic marketing capabilities can be applied in many firm types, ages, contexts and projects and that they can complement different capabilities applied in NPD and CRM activities. For example, the big Thai firms of Srithai, Surapon Foods, and WORLDFOODS integrate new marketing knowledge through the interactive dynamic marketing capabilities process to develop the new products that respond to international market needs. Srithai and WORLDFOODs developed DMCs under international market expansion projects, while Surapon Foods developed its DMCs through a corporate renovation that covered operational capability and rebranding. The project of Surapon Foods was aimed at increasing production efficiency for its new product line, but the process actually helped the organization to transform all of its operational routines. Meanwhile, the trendy, medium-sized Thai firm of Srichand used dynamic marketing capabilities to develop a whole new product series that supported its rebranding project. However, this rebranding project not only focused on the new product series, but also involved the top management team utilizing dynamic marketing capabilities to change its organization as whole. All of the DMCs found across the multiple cases studied in this research confirmed that an interactive process of developing DMCs could help firms to stay market-oriented over time.

Overall, the five case firms show that dynamic marketing capabilities can foster managerial capabilities. The dynamic market environment today requires the top management team (TMT) to play a key role in leading the organization to develop new products and deliver superior customer relations. Additionally, Srichand and Tesco Lotus showed how dynamic marketing capabilities can be operated in the process of creating innovation capabilities to develop new products and new CRM digital applications. Meanwhile, the cases of Srithai, Surapon Foods, and WORLDFOODS revealed how dynamic marketing capabilities can complement operational capabilities in the development of new products that suit international markets and industrial scales.

This study focuses on the processes involved in the development and maintenance of dynamic marketing capabilities. In the following paragraphs, this study reveals the in-depth empirical findings that emerged from the five case firms regarding the factors influencing the dynamic marketing capabilities development process.

Moreover, after comparing the results of the pilot study with those of the in-depth case studies, this research found that foreign firms focus on developing their customer relationship management (CRM) tools as their main dynamic marketing capabilities activities, while local firms develop their dynamic marketing capabilities through their new product development (NPD) activities. This finding indicates that foreign subsidiaries do not focus on developing new products in the Thai market, but rather place greater emphasis on cultivating a relationship with their customers through various CRM tools and activities. In contrast, of the seven local firms which participated in this study, all were their company's headquarters offices and all were focused on developing new products to create a market response.

Role of market orientation in dynamic marketing capabilities development

Across all cases, the findings indicate that the underlying processes of market orientation and dynamic marketing capabilities cannot be isolated. Sensing capability is actually the intelligence generation process of an organization, and it links to the learning and integrating process, which requires the firm to disseminate its knowledge before coordinating its resources to stay responsive. The process is interactive because the firms are required to go back and forth between the different capabilities. For example, firms are required to integrate knowledge and coordinate resources at the same time in order to respond effectively to the fast-changing market. The top executives from Tesco shared a great example:

"Everyone realizes that for responsiveness, the timing is critical." (VP e-commerce and digital connection, Tesco)

"When I was still new, I was shocked like I had only 1-2 weeks to do things." (Head of Customer Insights, Tesco)

Similarly, middle level managers from Srithai and Srichand mentioned the similar situations in which they need to make use of each capability fast to in order to respond quickly.

"Right after we finished meeting with the customer, the director wants us to complete the report right away, even before we get on the plane." (Assistant Manager-Export Sales, Srithai)

Similarly, junior managers at the same level from Srichand also reported that the manner of business today is about being responsive by acquiring new knowledge, integrating and the coordinating the resources and capabilities on an interactive basis with the cross-functional team.

"Mostly, we will teach on the spot. Nobody works alone here. We always brainstorm but might not have official meetings all the time as the execution will be too slow." (Assistant Brand Manager-Offline, Srichand)

The interactive process of intelligence generation and dissemination of Surapon Foods also reflects the sensing and learning capabilities of the firm as outlined by its general manager.

"We have sent our staff to visit many places. There are also many projects such as projects to build a factory model to exchange know-how within a network." (General Manager, Surapon Foods)

The findings regarding the interactive nature of DMCs were confirmed during the quality check protocol.

Top management team (TMT)

The findings from all of the cases reveal that their cross-functional top management teams and organizational culture affect the development of their dynamic marketing capabilities. There are a number of commonalities between Srithai and Srichand cases. For instance, senior directors from all functions at Srithai act as coaches in their Srithai DNA program. This affects their operational team culture whereby domestic and international marketing, production, accounting and finance, and creative design work collectively to develop the new products. Another precise example is the case of Srichand where the TMT from all functions and their teams are involved in the company's dynamic marketing capabilities. To be more precise, three TMT components identified are their commitment, leadership style, and networks.

Top management team's commitment

Top management commitment was highly visible in the cases of Srithai, Srichand, WORLDFOODS, and Tesco Lotus. The results show that the top management team's commitment positively impacts the organizational culture by influencing DMC development. The culture is to let employees be accountable for developing dynamic marketing capabilities into their routine practices. As a case in point, one respondent

from Srithai presented an interesting view on how the top management motivate employee accountability.

"Things started to get better with the export director vouching for us. He would guarantee others that such designs would sell. The team also helped to make it happen." (Creative Director, Srithai)

While the CEO from Srichand also stated how committing himself to the project resulted in the motivation of his employees developing.

"Mostly I spend my late morning coaching my team. At Srichand, we will not stop thinking about new projects and there will be no month with no new project. We will have new projects to work on every month." (CEO, Srichand)

"Even the staff in at the warehouse can also contact him directly. We thought that they might be afraid to call the TMT, but that staff did. The CEO was very happy." (Office Manager, Srichand)

The top management team's commitment ensures closer relationships can develop between the president, managing director, and senior directors from all functions and the lower level employees. The Srithai, Srichand, and Tesco Lotus cases revealed that when their top management team acts as a coach, they then create a positive influence on the organizational culture. Employees admire the top management team who commit themselves and work hard with the team. Overall, the findings of this study provide a clear indication that commitment plays a crucial role in the creation of trust and accountability in the team. Another case regarding how the Tesco respondents talked about their vice president (VP) support this observation. They stated that the VP is a role model due to having a great commitment to the team and organization.

"I think everyone under the VP knows what's going on in a particular situation. He always shares upcoming trends although agencies also have small notes about the current market trend. I think he stimulates us slowly like "Try this, try that." He is quite an idol." (E-Commerce Marketing Manager-Grocery Home Shopping, Tesco Lotus)

This study revealed the emerging theme that involvement is required to make commitment. Under the top management team's commitment, involvement seem to play a significant role in increasing commitment. All cases in this study demonstrated involvement in different levels. Only the Srichand and WORLDFOODS cases revealed

the involvement of the entire TMT in the new product development activities, which could be due to those firms being smaller than the other case firms. However, the result of the WORLDFOODS case shows the inquisitive impact of involvement on employees' trust, accountability, and psychological safety because this study found that over-involvement could obstruct the opportunity of employees to be accountable and perform. Conversely, the senior directors were seen to lead the teams and be fully involved in the dynamic marketing capabilities activities in the Srithai and Tesco cases. For example, one respondent from the Srithai case stated that when a TMT member performs the task himself, the employees then have to be accountable as well.

"The export director does it. We have to sit and watch him (laugh). Kidding, so we have to do it with him." (Assistant Manager, Export Sales, Srithai)

In contrast, Surapon Foods's top management team acts as a supporter rather than being involved in the activity.

In conclusion, the five case firms revealed that the top management team's commitment has a vital influence on how the firms shape their unique organizational culture and how this then leads to the development of dynamic marketing capabilities.

Transformational leadership

The results from these multiple case studies revealed that the case firms with transformational leadership style could develop greater organizational cultures than the firms without such leadership. The cases of Srithai, Srichand, and Tesco show how transformational leadership style bring about a great organizational culture by encouraging collaboration and open communication and by promoting sincere behaviors. For example, the CEO of Srichand runs mini-sessions on a regular basis to inspire his employees. The TMT also creates a positive environment in the firm. As one respondent stated:

"The management style here is not so strict. They ensure that everyone here is happy and works at their best by providing their full support." (Financial Controller, Srichand)

Meanwhile, Srithai's management team always empowers its employees positively to have a sense of trust and accountability as stated by the Accounting and Finance Manager.

"Once the employees feel positive and own their work, they will be willing to put more efforts and perceive our organization as their own "home". With that being said, everything will be faster and move towards the same direction." (Accounting and Finance Manager, Srithai)

Tesco's vice president always uses positive encouragement to motivate his employees to try new things, which creates a learning organization culture. This is probably a key for augmenting trust within the top management team, thereby facilitating learning from failures.

"The VP always says that 'I believe we can go further'. He is like that. He keeps encouraging us – read this, study this, and try it" (Digital Manager-Mobile Platform, Tesco).

During the quality check protocol, Tesco Lotus's TMT also reflected on his positive view as leader.

"We need to make it enjoyable because we spend a lot of time working, like a marathon. This is why I try to build the team with the motivation that we can learn." (VP-Digital Connection, Tesco Lotus)

In addition, other new themes that appear in this study include how tranformational leadership style not only helps the organization to create a learning culture, but it also facilitates the application of the learned capabilities in the employees' operational routines. This is clearly shown when the firms implement their new capabilities in practice, such as was observed at Srichand, Surapon Foods, and Tesco Lotus.

Environment and network relationships

The results across all cases show that the TMT's networks crucially benefit the learning activities of their organizations. In this way, the top management act as a center of dynamic marketing capabilities where employees can acquire marketing knowledge not only from them, but also from their prestigious intra- and inter-organizational networks. Hence, they become a source of marketing knowledge that benefits the employees' learning.

This study also found that members of top management which master managing both intra- and inter-organizational networks provide other distinctive advantage to their firms.

Inter-organizational: macro level

Srithai and WORLDFOODS are examples of case firms that use macro inter-organizational networks to sense new knowledge from the Thai government as stated by the respondents from those firms.

"Our primary source of information comes from the Department of International Trade Promotion. They help us promote and even organize business-matching trips for us to attend exhibitions." (Deputy Export Sales, Srithai)

"We have an event with the Department of International Trade Promotion; we obtain a lot of information from joining government activities." (Marketing Executive, WORLDFOODS)

Intra-organizational: micro level

Supplier networks were seen to be the key micro networks affecting the learning organization culture among the cases of Srichand, Srithai, and Surapon Foods. Suppliers play a crucial role during the development of the sensing and learning capabilities of the organizations.

WORLDFOODS's respondents commented that their top management use their long-established intra- and inter-organizational networks and experiences in the international markets as a source of marketing knowledge to share with their employees.

While Srichand's CEO has developed his inter-organizational networks with many types of organizations, the respondent from this case stated that the employees of Srichand always obtain new marketing knowledge by learning from top management team's networks

"Our company MD likes to share new information with us and provide opportunities to learn new things depending on the event such as ADMAN or TCDC Creativity to keep us updated about the market trends." (Assistant Brand Manager-Online, Srichand)

In addition, intra-organizational networks were found to be able to support the creation of a culture of learning in an organization, where the employees can learn and integrate the knowledge that already exists within the firm. One emerging theme found from the case firms in this respect is how strong intra-organizational networks among TMTs expedite the internal process to create fast market response activities. This is clearly shown in the case of Srithai where the export director has built trust with other

senior managers as well as with the employees.

"If higher-level management gives us a green light, meaning that they are in full support, we would immediately approach our agents."(Assistant Manager, Export Sales, Srithai)

As a result, the progress goes quickly whenever he wants to hasten new product development activities in response to the demanding international markets. The case of Tesco Lotus also reveals how the intra-organizational network relationships across departments can assist the digital connection team to act faster when responding to the dynamic retail market.

"Everyone realizes that timing is critical for responsiveness. Therefore, we do not have any problems about the issue as everyone understands that they need to be quick and hurry up. Everyone knows about such importance actions." (VP, E-Commerce and Digital Connection, Tesco Lotus)

However, the only foreign MNEs in this study does not reveal the influence of network to develop dynamic marketing capabilities. Nevetheless, , the advantage of being a subsidiary also assists Tesco to get international customer insights and best practices from its UK headquarters. Overall, the intra-organizational network supports the learning organization culture, where teams work together through the cross-functional process of market intelligence generation, intelligence dissemination, and responsiveness.

Organizational culture

The overall results from the five case firms reveal that organizational culture is an enabler that influences the underlying process of dynamic marketing capabilities development. Trust and accountability, a learning organization, psychological safety, are found to be the factors enabling this process.

Trust and accountability

Higher levels of top management commitment, tranformational leadership, and both intra- and inter- organizational networks interact with employees' accountability and the deployment of dynamic marketing capabilities. The cases of Srithai, Srichand, and Tesco Lotus clearly show that employees are accountable once the TMT members intend to engage themselves positively in the projects.

For example, one of Srichand's respondent expressed a very positive feeling

of being motivated by the top management team.

"I have a very good relationship with this company, which makes me want the organization to grow." (Assistant Manager - Operations, Srichand)

In contrast, the case of Surapon Foods shows how monetary incentive provides additional reinforcement apart from the psychological motivation from the CEO.

"Besides more responsibility and incentives, we try to assign them new projects to motivate them all the time." (Surapon Foods, CEO)

In addition, the TMT can motivate employees more effectively when they provide the employees with cognitive freedom. A response from one of Srichand's employees revealed that the TMT not only wants employees to think outside the box, but it also encourages the employees to feel "there is no box" while working on new product development projects.

To be more precise, dynamic marketing capabilities occur when the TMT members are committed and trust each other and their employees. The results from Srithai, Srichand, Surapon Foods, and Tesco reveal that trust and accountability empower employees to develop their capabilities because those factors make them feel important, trusted, and motivated to put more effort into the activities. Trust and accountability are given in the form of assigning projects and allowing employees to make decisions. These encourage the employees to have a sense of ownership, thus resulting in the motivation to seek new marketing knowledge to develop their operational routines.

More specifically, employees from the case firms perceive the opportunities provided by their TMT as trust and accountability. The situations from the case firms in this study have outlined how the top management of these firms place trust in their employees to lead projects. For example, each employee at Tesco and Srichand works like a project leader on his or her own specialization and accounts. This helps them develop accountability and motivates them to perform better. Moreover, respondents from Srithai and Srichand mentioned that informal communication helps the TMT and the employees to trust and understand each other better, which results in the improved responsiveness of the firms.

"We have both informal and formal discussions about how everyone should be accountable and responsive all the time. We try to stress this point in every meeting to make everyone understand that time matters." (Export Director, Srithai)

"Apart from the formal weekly meetings, we have many channels such as by phone, email, and Line to make sure that we communicate and link each project lead by different members all the time." (VP-Operation, Srichand)

Overall, the results emphasize that the sense of trust and accountability is an important factor contributing to an organizational culture that positively influences the development of dynamic marketing capabilities.

Learning organization

The TMTs were seen to play an important role in the organizational learning across all cases in this study. The cases of Srichand and Tesco reflect how a firm with a strong learning environment lead to more innovation, while the lower learning organization culture and higher power distance in Srithai, Surapon Foods, and WORLDFOODS slow the development of their dynamic marketing capabilities. In addition, the marketing knowledge used for reconfiguration purposes is linked to the open-minded beliefs of the TMTs and the willingness to learn of the employees. The respondents from the Surapon Foods and WORLDFOODS cases described this concept clearly.

"We only train the employees who are ambitious and willing to be trained." *(Surapon Foods, CEO)*

"The top executives never decline when we want to join the training provided by the Ministry of Commerce." (Marketing and Business Development Executive, WORLDFOODS)

Srichand and Tesco, which use both internal and external resources to train their employees, have a greater levels of dynamic marketing capabilities development than firms which use either internal or external coaches. Training is one of the ways firms develop their dynamic marketing capabilities through an intentional process of learning from experienced TMT members and professional training firms. The results from all cases confirm that creating dynamic marketing capabilities requires a learning organization culture that shares marketing knowledge on a routine basis.

"The VP will tell stories and we have something like updates from agencies as well.. But sometimes it's not the agency that updates us directly. We might set up a workshop; invite some speakers from Facebook or Line or other media agencies or other Marcoms to update us." (Digital Manager-Line, Tesco Lotus)

Moreover, learning-by-doing is a learning culture that was seen to assist the case firms to expedite their responses. At Srithai and Srichand, employees work in teams and regularly brainstorm in informal settings.

"We can just make the decision. From my experience, if we cannot decide anything, we should just do it and learn from the failures. It will make us more confident next time." (Office Manager, Srichand)

Meanwhile, the Tesco case revealed a culture of learning-by-doing individually as specified by function with teams consisting of people working in different types of digital channels. Many Tesco respondents mentioned "trial and error" as the norm in their firm as stated below.

"Tesco allows our employees to experience "Trial and Error". Everything is not perfect. At the time, we did what we thought was good, but later we may realize there was something that we did not notice. We, later, can look at it and consider 'How can we do thing better?'" (VP-E-Commerce and Digital Connection, Tesco)

"So yes, we do make some mistakes and that's what we want to see." (Head of Customer Insights, Tesco)

"In our company, retail is very fast so we use the learning-by-doing method. We just try for fun." (Digital Manager, Mobile Applications, Tesco)

Psychological Safety

Srithai, Srichand, and Tesco Lotus confirmed that psychological safety in the organization fosters a trial and error norm that leads to more innovation and greater employee loyalty. This organizational culture allows the firms to integrate new marketing knowledge without fear of failure and to embed that knowledge into the process of creating the dynamic marketing capabilities that will enable them to develop new deliverables. For instance, the learning culture of Tesco Lotus's digital connection team emboldens employees to try new practices.

"Our VP always says that 'I believe we can go further'. He is like that. He keeps encouraging us – read this, study this, try it" (Digital Manager-Mobile Platform, Tesco Lotus)

Also, many respondents from Srichand expressed their feelings of psychological safety from working with the firm as can be seen from the selected responses below.

"In my opinion, it is positive as our boss provides the opportunity for us to express our ideas in a very friendly atmosphere. When we develop our thinking process further, it will impact our ideas and achievements." (Office Manager, Srichand)

"They give us freedom in terms of thinking. We can always tell them our ideas." (AVP-Operation, Srichand)

Adding on to this terminology of psychological safety, this study extends the use of this term and explains how organizations can apply it to create an organizational culture that fosters the development of dynamic marketing capabilities.

The Interactive Underlying Process of Dynamic Marketing Capabilities Development

This study found that the underlying process of dynamic marketing capabilities development is interactive. All the NPD and CRM activities of the case firms support this argument regarding how dynamic marketing capabilities work in real-world actions.

When developing a new product to serve international markets, Srithai's team faced a number of challenges that require them to make the underlying process interactive. As a case in point, the creative team had to cross backwards and forwards between the steps in the NPD process when customers want the product immediately. As said by the creative director:

"Nowadays, everything is much faster. Sometimes, I don't even get the chance to look at the report. After I laid a concept, they will just kick it off." (Creative Director, Srithai)

In some situations, for example, when they went to a fair in an overseas market, the new marketing knowledge obtained unexpectedly from the fair leads them to re-design the product immediately. As stated by the assistant manager-export sales:

"After we'd looked around the fair until late evening, we looked at each

other in the eye and said, 'We have to go back and change our design'. (Laugh) The creative team had to change the design within that one night and then we presented the new design to the customer the next morning." (Assistant Manager-Export Sales, Srithai)

For Srichand, the NPD team spends much more time on developing its cosmetics products. The process is very interactive as they need to create a number of prototypes and test them thoroughly before launching. The interaction between sensing and coordinating was a common process conducted by Srichand's NPD team.

"In the background, we have a lot of trial and error before this. It's not that we are very smart, but we persevere through it and invest a lot in the process." (Managing Director, Srichand)

"It's not that we could just come up with a new formula and sell it" (VP-Marketing, Srichand).

In addition, the constant sensing process affects the coordination of resources to be faster. As stated by the sales team leader:

"New market knowledge obtained by my team could increase the speed of the support team and R&D team to move faster. When information arrives faster, R&D will then try to speed up to have a new product ready faster too." (Manager-Sales Division, Srichand)

This interactive process was strongly confirmed by the TMT during the quality check protocol as quoted below.

"The process is an interactive loop of exchanging feedback until all steps are qualified" (VP-Marketing, Srichand).

Similarly, WORLDFOODS described the interactive process of constant learning, integrating, and coordinating in their NPD activities, whereby they need to try many formulas until the final version can be produced.

"There are more than 60 formulas in the WORLDFOODS project, some of which we don't sell. They are only some formulas that we actually manufacture" (QA-R&D Manager, WORLDFOODS).

In the designing process of Surapon Foods, the production team needs to be constantly going back and forth between the underlying processes to achieve a successful design that the factory's machinery can then work on to produce a new

product that serves the requirements of the market.

"They develop a product based on a sample that the client gave me but this product cannot be produced with our machinery. That is what I have to do to improve the machinery to be able to produce this product. How to modify the machine, how to design?" (Process Engineer, Surapon Foods).

As found from the Tesco Lotus case, the dynamic marketing capabilities process it applies to develop new CRM tools is also interactive. After the learning process, the team is required to collect the data again before integrating and coordinating its resources to solve the problems.

"Another team collected the data to identify the problems our customers faced. After that, we tried to figure out how to help them solve the problems. Meanwhile, we collected these related data too." (VP-E-Commerce and Digital Connection, Tesco Lotus)

A change in prices is normal in the retail industry. This also affects the process whereby when the marketing knowledge about its rivals changes, Tesco also needs to change immediately. This affects the digital connection team as they need to re-design the content that is intended to be communicated to the customers.

"Just say we change every day, like this Thursday, you get up, talk to the Trade Plan team at 7-8AM about any change, any price cutting. If there is some price cutting, we have to smash what we did yesterday and change the price anew or present the customers with a new plan to say what we have, something like this." (Digital Manager-Line, Tesco Lotus)

Both similar and opposing results were observed in how the firms develop their dynamic marketing capabilities. A learning organization culture and positive working environment were found to influence the capability development in both the pilot study and the in-depth case studies. Likewise, factors such as training and motivation were found to have equal impact in both the pilot study and in-depth case studies. However, the influence of the TMT, which was revealed from the in-depth cases, was not identified during the pilot study.

Iterative Process of Dynamic Marketing Capabilities Development

Across all cases, the development of dynamic marketing capabilities is an iterative process because these capabilities are continually renewed through on-going

knowledge integration and operational application. All cases revealed the commitment that is required from all employees after the dynamic marketing capabilities are developed. This is where the firms put their dynamic marketing capabilities into practice and continually develop them in an iterative manner that reflects how the maintenance of dynamic marketing capabilities is a repeated process. The findings regarding this iterative process were confirmed during the quality check protocol as the researcher obtained updates from the key respondents on how they continually create new projects after the DMCs have been developed in order to maintain those capabilities. For example, Srithai launched its Srithai DNA Connect Program and Rescue Team. Surapon Foods started a rebranding project and a post project after the renovation project was completed.

Lastly, this study summarizes the overall findings of the five case firms to reflect the commonalities and differences in the results. Table 4.23 captures the factors that influence the development and maintenance of the dynamic marketing capabilities of the case firms described in this study.

Table 4.23 Themes emerged on development and maintenance processes

Cases	ST	SC	SF	WF	TC
Development scheme	**Srithai DNA:** Build the new generation by implanting the organizational culture and global mindset and refreshing the old-generation mindsets. This program also helps in	**-Mini sessions taught by MD:** The MD creates a learning environment for his employees. In fact, he is a famous marketing speaker who always shares	**- Train talented members:** The TMT trains only those who "can be trained". He emphasizes this as he found that the motivation levels of	**- On the job learning with** the **TMT: the** TMT has solid experience in the industry and the international markets. Hence, its members	**High investment in HR as TC is a big MNEs** Employee development and professional monitoring systems are key DMC development schemes.

Table 4.23 Themes emerged on development and maintenance processes (cont.)

Cases	ST	SC	SF	WF	TC
	closing the gap between TMT and the lower level managers.	his thoughts in public events. **-Personal development programs:** All of the respondents gave positive feedback on the "One book per month" policy. This is a scheme aimed at keeping the DMCs refreshed.	employees are different. Hence, the training attendance is dependent on the employees' willingness. **- Giving a project:** This scheme allows employees to develop during the execution of project activities in the so called "Developing DMCs in action"	not only act as bosses, but rather they are knowledge providers and supporters of the employees' DMC development	This results in high employee engagement and retention because employees feel secure and supported by the firm.
Maintenance activities	**Informal communications:** **-** Maintain their capabilities among a	**-Motivation from TMT:** Employees strongly admire the TMT as they always	**-Continually giving project:** This tactic reveals that DMC development	**-Application of new knowledge into practice:** Employees are required	**-Motivation from top management** Employees strongly admire the team leader

Table 4.23 Themes emerged on development and maintenance processes (cont.)

Cases	ST	SC	SF	WF	TC
	team of different generation people. - Expedite the response as this team is highly dynamic. - The character of the export director plays a significant role in the DMC maintainence tactics. - Srithai Connect - Rescue Team	motivate the employees to develop. - The psychological safety in this firm also increases the employees' motivation to maintain their capabilities. **-Application of new knowledge into practice:** -Employees are required to share their DMCs obtained from the development with other members and apply the DMCs right away in the forms of projects and	and maintenance is an iterative process. **-Motivation from CEO:** Employees mentioned the character of the CEO as an open-minded person, which helps motivating his employees to develop their DMCs constantly. **- Post-Implementation process**	to apply the DMCs in projects and operational routines.	as he always lets employees learn through trial an error and learn to create new CRM tools. **-Application of new knowledge into practices:** Employees are required to apply the DMCs in projects and operational routines.

Table 4.23 Themes emerged on development and maintenance processes (cont.)

Cases	ST	SC	SF	WF	TC
		operational routines. By sharing and applying the DMCs, they will be put into practice in a process of iterative renewal. - Workshops by employees			
Top management team (TMT)	**Trans-formational leader who act as a coach:** - Learning sessions called "Show and Share" **-** Employees strongly admire the export director and missed him when he was out of the business for his PhD before he came back.	**Trans-formational leader who act as a coach:** The MD is a proactive learner who inspires his employees to learn new things to develop themselves. Employees feel close to him because he acts as a	**- Act as a supporter:** The TMT is still in a higher hierarchical position in the employees' minds. The gap between them was clearly observed in the findings. coach who	**TMT participates fully in most of activities:** The top management leads all the marketing activities as they have solid experiences and connections. As a result, the employees could not	**Trans-formational leader who act as a coach:** All employees talked about the TMT in a positive way as he is the one who not only leads, but also contributes, teaches, and inspires his

Table 4.23 Themes emerged on development and maintenance processes (cont.)

Cases	ST	SC	SF	WF	TC
	- Giving trust and accountability -Empower employees to make decisions. - Employees are willing to put more effort in as they have a sense of ownership. - Proud of contribution - Enhance a sense of freedom	teaches and lets the employees learn by trial and error. - He listens to all ideas even when some may sound impossible and crazy. **- Giving trust and accountability** Employees have the sense of accountability in their roles. Everyone works like a project manager who is responsible for the approved idea. Employees at SC are not scared to fail, which results .	However, the TMT still act as a supporter in this renovation project.	develop their own DMCs so much as they do not have any opportunity to perform in the higher levels. However, employees can still develop themselves through the NPD process.	people. This creates a team dynamic among its members.

Table 4.23 Themes emerged on development and maintenance processes (cont.)

Cases	ST	SC	SF	WF	TC
		in creativity and innovation			
Structure	**Leaner structure in international team:** Employees are satisfied with the leaner structure. This reflect that the previous structure may not have been suitable in this age.	**Flat structure:** This results in the accessibility to the TMT that enables employees to talk to them easily. Also, the firm's members are of similar ages, so they feel comfortable to talk to each other even though they are in different levels.	**Centralized structure:** The findings reveal a hierarchical distance in this firm. However, this project allowed a closer relationship between the TMT and the lower level managers.	**Flat structure:** This partnership firm is a small firm under two big firms. Only a few employees are engaged in the firm. However, this results in flexibility in its DMC development process.	**Flat structure:** TC has a flat structure even though it is a large firm, which motivates employees to develop themselves because they feel that they can grow in the flat structure faster than in a tall one.
Organizational Culture	**Highly dynamic with strong cross-functional team**	**Highly learning organization with psychological**	**Open working environment:** Employees	**Learning organization** They start from passion that leads to	**Dynamic and learning organization** Resulting

Table 4.23 Themes emerged on development and maintenance processes (cont.)

Cases	ST	SC	SF	WF	TC
	dynamism: -Work like in the military - Show "speed to the market" - Employees have an opportunity to learn new things more than just their routine work, and this results in the satisfaction and commitment	**safety:** Employees are happy working for the firm and they are proud of the firm. They are not scared to speak up and can learn through trial and error.This results in engagement, commitment, and retention.	mentioned that the firm has an open environment, but there is no learning culture in this firm.	a desire to learn.	from the nature of retail industry which means they need to response fast, they have to learn all the time in order to adapt and respond to the rapid changes.
Intra-Organizational Networks	Strong internal relationship networks among cross-functional departments.	Strong internal relationship networks among cross-functional departments.	Neutral internal relationship networks among cross-functional departments	Neutral internal relationship networks among cross-functional departments	High internal relationship networks among cross-functional departments
Inter-Organizational Networks	**Macro Level: Ambassadors, DITP**	**Macro Level:**	**Macro Level: DECC, DITP**	**Macro Level: DITP**	**Macro Level: Not observed**

Table 4.23 Themes emerged on development and maintenance processes (cont.)

Cases	ST	SC	SF	WF	TC
	The chairman is in Thailand's business elite as well as his family being well-known in Thai society. He also contributes to the DITP by supporting other exporters. As a result, ST gains a lot of international marketing knowledge and accessibility from its Macro networks. **Micro level: Local consultant** -Relationships with local consultants	**NSTDA, Business elite society** Employees feel great that they can consult the government agencies to obtain the knowledge they need in NPD. -The MD is well known in Thai society, especially in the marketing filed, which helps the team to generate new market trends. **Micro Level: Ads agencies, Designers, Suppliers** Due to the character of the firm, SC	Employees perceive that consulting these government agencies helps them to develop DMCs. Some employees even want to learn more from the macro level networks. **Micro Level: Industry connection** This network is a result of attending industry fairs and employees state that they obtain	**Micro Level: Industry connection** The TMT is business elite and has a long-term relationship with the government as well as many industry connections. Part of the marketing knowledge is also generated from these networks.	**Micro Level: UK Headquarters, global and local brand partners** TC's respondents did not mention much about networks. However, learning and collaborating with micro level networks was brought up in a few interviews.

Table 4.23 Themes emerged on development and maintenance processes (cont.)

Cases	ST	SC	SF	WF	TC
	provides ease of access to local marketing knowledge.	gains many benefits from its business networks with various stakeholders. A number of relationships result in the new projects such as Co-branded Products.	marketing knowledge from this network		

In conclusion, the findings indicate that firms need to embed market orientation into their underlying interactive process, which consists of sensing, learning, integrating, and coordinating capabilities. In the dynamic environment, firms are required to go back and forth between the capabilities as well as the market orientation components to achieve the development of their dynamic marketing capabilities. Dynamic marketing capabilities developed in this way can certainly change the organization as a whole. To be more precise, top management has a crucial impact on the organizational culture that influences the development of these dynamic marketing capabilities. Table 4.24 summarizes the roles of the TMT and organizational culture in the DMC development process. The researcher then discusses those finding in relation to the existing theories to ensure analytical generalization (Firestone, 1993; Lincoln & Guba, 1985).

Table 4.24 Summary of cross-case findings

Case Firms	TMT: commitment	TMT: transformational leadership style	TMT: network	Trust and accountability	Learning organization	Psychological safety
Srithai	✓	✓	✓	✓	✓	✓
Srichand	✓	✓	✓	✓	✓	✓
Surapon Foods	✓	×	✓	✓	✓	×
WORLDFOODS	✓	×	✓	×	✓	×
Tesco Lotus	✓	✓	×	✓	✓	✓

Once firms successfully develop dynamic marketing capabilities, the next challenge for them is how they can maintain those capabilities to stay market oriented over time. This study explored this question through multiple cases studies. The findings indicate that dynamic marketing capability development is an interactive process. Firms are required to sense and generate new marketing knowledge continually over time in order to keep developing. In this way, they can maintain the capabilities that enable them to respond to the chaotic environment. This means that if firms stop developing this underlying interactive process, the capabilities developed will not be efficient due to the environment having changed.

This study also found additional answers regarding the associations between the concepts of market orientation and dynamic capabilities. The findings indicate that market orientation's components, namely intelligence generation, intelligence dissemination, and responsiveness, are tied together with the components of dynamic marketing capabilities, namely sensing, learning, integrating, and coordination. Moreover, these mechanisms work on an interactive basis.

4.7 Cross-case discussion, research propositions, DMCs development framework

This section reveals the systematic interplay between the theories and the recent findings. Start with the impact of emerging market characteristics that require the firms to response differently to the environment. It then highlights the emerging themes regarding the role of TMT and organizational culture on DMCs development. Followed by the in-depth discussion on how MO and DCs are synergized in order to develop DMCs. Propositions are developed to support future researchers in the fields of strategic management and marketing with regard to further investigation of the impact of dynamic marketing capabilities as well as the relationship between different components.

Impact of emerging markets characteristics

As this study aimed to investigate how firms could develop dynamic marketing capabilities to remain market-oriented in emering markets over time, the five

characteristics of emerging markets mentioned by Sheth (2011), namely, market heterogeneity, socio-political governance, chronic shortage of resources, unbranded competition, and inadequate infrastructure, were analyzed among the five case firms. In this respect, it was found that Srichand and Tesco Lotus faced similar factors of market heterogeneity, unbranded competition, and inadequate infrastructure. For example, Tesco Lotus uses different types of retail stores as well as e-commerce and CRM tools to serve different groups of customers. In contrast, Srichand decided to create common cosmetic items, such as a translucent powder that customers tend to use every day regardless of any preferences they may have. However, when Srichand began to focus on more personalized items after its rebranding period, many NPD projects were introduced in response to the market heterogeneity.

Regarding the impact of inadequate infrastructure, both firms faced issue with online payment because most of the population in the country does not yet have access to a credit card. Meanwhile, unbranded competition was found to be affecting Surapon Foods and Srithai with unbranded products from China competing in both their domestic and international markets. With their focus on exporting to international markets, WORLDFOODS and Srithai were found to be facing the issue of market heterogeneity caused by customers' preferences in several markets, including emerging market countries, such as Malaysia and India. Additionally, cross-case findings do not reveal any significant impact of socio-political governance. This may be attributed to the increase in social and political stability during the data collection period of 2016 to 2018.

Regarding a chronic shortage of resources, this issue only affected Srithai in its international expansion into emerging market countries such as Namibia and Benin. No other resource scarcities were found among the other businesses operating in Thailand. This may be due to all of the firms focusing on expanding their business in developed areas only. The shift towards developing digital channels could also partly explain the general absence of this issue as e-commerce does not require much in terms of tangible resources compared to physical outlets or retail premises.

Emerging themes

Top management team (TMT)

The new theme that emerged from this study is that the top management

team (TMT) has a major role to play in creating a culture of influencing dynamic marketing capabilities, with none of the previous studies having covered this point. To be more precise, the development of dynamic capabilities and marketing capabilities are the solid managerial mechanisms that can be applied for dealing with the difficulties and opportunities shaped by a rapidly changing environment (Vorhies, 1998).

A firm's organizational culture is impacted by its top management team as has been discussed in previous literature (Hartnell, Kinicki, Lambert, Fugate, & Doyle Corner, 2016; Lee, Shiue, & Chen, 2016; Segaro, Larimo, & Jones, 2014). The top management team is consistently viewed as one of the most important success factors of the organization. Previous research studied the top management team's roles in the organization's activities from different aspects (Dixon & Day, 2007; Dixon, Meyer, & Day, 2007; Felekoglu & Moultrie, 2014).

However, none of the previous research on dynamic marketing capabilities looked at the effect of the top management team as an enabler of an organizational culture of influencing the capability development and maintenance processes. Moreover, most of the previous studies focused heavily on the marketing and business development departments when discussing the market analysis, customer relationship management, and new product development (Barrales-Molina et al., 2014; Bruni & Verona, 2009).

Nevertheless, the results of this study concur with the findings of Helfat and Peteraf (2003) and (Vargo & Lusch, 2004, 2008) in that capability development involves ongoing improvement from a cross-functional team rather than focusing only on the marketing team. This also aligns with the concept of market orientation (MO), whereby MO is achieved when all departments participate together. However, the dynamic marketing capabilities research stream has not yet covered the role of cross-functional top management in the development of dynamic marketing capabilities. As this study is aiming to explore the aspects of this field, the results have reached the point of providing understanding that a cross-functional top management team significantly influences the organizational culture, which in turn affects the development of dynamic marketing capabilities.

The impact of the top management team on organizational culture

The top management team, including all of its functions, affects how the

organizational culture influences dynamic capabilities development. Higher levels of top management commitment, transformational leadership as well as both intra- and inter-organizational networks impact on the organizational culture which can motivate the deployment of dynamic marketing capabilities. Vargo and Lusch (2004) and Vargo and Lusch (2008) identified how marketing leaders move toward dynamic exchange relationships that involve performing processes and exchanging skills and/or services in which value is co-created with the consumer. They explained how the evolution of a dominant logic for marketing that had existed since before 1900 then shifted in 1980-2000 from focusing on a goods-centered model of exchange to placing emphasis on a service-centered model of exchange. They stated that the S-D logic of marketing is the result of using this lend to re-focus on the particular issues related specifically to marketing.

However, since 2000, there has been no clear discussion on what will become the dominant logic of marketing. This research suggests that the post-2000 logic of marketing is that the marketing leaders shall look at the logic from a strategic view. The extant studies have developed since the emergence of market orientation and dynamic capabilities. Both theories are rooted in the new concept that can be defined as dynamic marketing capabilities. The logic of this new marketing concept has shifted the belief that it is only necessary to focus on marketing function. However, in these present days the firms are required to work on a cross-functional and agile basis in other to respond successfully to the market.

This research found that the top management team, including all related functions, needs to perform in the underlying process of DMC development. The top management can impact positively on the organizational culture and has a direct influence on the process. Hence, not only is the logic tied to the marketing function, but it is also necessary to involve all functions to perform together.

Top management team's commitment

The advisory firm Ernst &Young discovered the concept of top management commitment in the context of customer-oriented quality thinking as part of total quality management (TQM). They suggest that commitment moves sequentially through several stages in a causal manner. The stages of the top management team's commitment included sponsorship, intention to understand, willingness to work on

critical issues and to increase personal involvement, desire to change one's own behavior, and implementation in management behavior.(Matsuno & Kohlbacher, 2019) also revealed that the top management team's commitment is positively related to achieving organization-wide commitment. In addition, this is in line with the findings of many studies which mentioned the importance of the top management team's commitment to market-driven strategy, program implementation, and firm performance (Adner & Helfat, 2003; Chadwick, Super, & Kwon, 2015; Day, 1994; Jaworski & Kohli, 1993).

The findings of this study add to the body of knowledge regarding the top management team's commitment and the capabilities of the firms. Whereas the extant studies in this field have not linked the influence of the top management team's commitment to the development of capabilities, the findings of this study clearly reveal that such commitment plays a crucial role in an organizational culture that consists of trust and accountability, the establishment of a learning organization, and the phycological safety of the organization. When there is commitment among the top management team, their involvement seems to play a major role in increasing commitment among team members, leading to them becoming increasingly motivated to learn more and feeling closer to their leaders, which in turn enhances a sense of trust.

According to the Akdeniz et al. (2010) and Mahoney and Pandian (1992), the involvement of the top management team helps the firms to develop new capabilities. Generally, new capabilities arise when management learns how to improve and exploit firm-specific resources and to disseminate this information to the team members in the most efficient and effective manner. The top management team's experiences influence all behaviors in the organization. It has been claimed that the different stakeholder groups play a critical role in influencing the organizational learning processes of new international ventures and determining the types of dynamic marketing capabilities that develop (Evers et al., 2012; Rodenbach & Brettel, 2012).

In this research, all of the cases in this study reveal involvement in different levels. Indeed, the new product development (NPD) and customer relationship management (CRM) activities from the five cases covered in this study support the findings of the established literature in this field in that top management team involvement is one of the most critical success factors of NPD (Eriksson, 2014;

Felekoglu & Moultrie, 2014; Wang et al., 2013). For example, in the case study of Nandemo, Erikkson (2014) explored how *de novo* marketing capabilities initially emerge within an internationalizing high technology small/medium enterprise and how the capabilities are subsequently reconfigured as the firm reaches greater levels of maturity.

The result from that study found that when the top management team was involved in meetings with the firm's partners and customers to promote a thorough understanding of customers' needs, it helped to motivate employees to foster the marketing initiatives that were then transformed into dynamic marketing capabilities. This is consistent with the findings of

Macpherson et al. (2004) and Bi, Davison, and Smyrnios (2018) who found that top management team involvement in a firm's routine activities positively affects the organizational culture by fostering new marketing knowledge integration, process alignment and process flexibility. This suggests that the top management team plays a significant role in cultivating an organizational culture that positively affects the development of dynamic marketing capabilities.

Proposition 1a: A top management team which has high commitment has a positive impact on the organizational culture influencing the development of dynamic marketing capabilities.

Top management team's transformational leadership style

None of the study has investigated the impact of transformational leadership with DMCs. Most of DMCs papers only stated leadership style under the internal factor influencing the DMCs process. Recent empirical studies have demonstrated a positive relationship between organizational culture and dynamic capabilities through a variety of means and mechanisms (Malik & Kotabe, 2009; Rice et al., 2013; Teece, 2007). However, they did not specify a style the TMT must have in order to develop DMCs successfully. The findings reveal from five cases were able to suggest that the transformational TMT is required to develop DMCs. Srithai, Srichand, and Tesco Lotus TMT are transformational leaders and were much better to create the right organizational culture for developing capability than firms without the transformational leadership style (Bass & Riggio, 2006).

They show how transformational leadership style create a great

organizational culture by encouraging collaboration and open communication and by promoting sincere behaviors, which generate a culture of trust, accountability, and phycological safety (Carmeli & Gittell, 2009; Carmeli, Tishler, & Edmondson, 2012; García-Morales, Jiménez-Barrionuevo, & Gutiérrez-Gutiérrez, 2012).

Proposition 1b: A top management team which demonstrates a transformational leadership style has a positive impact on the organizational culture influencing the development of dynamic marketing capabilities.

Environment and network relationships

The top management team acts as a center of dynamic marketing capabilities where employees can access marketing knowledge, not only from them, but also from their prestigious intra-organizational and inter-organizational networks. This study found that networks of TMT become a source of marketing knowledge that benefits employees' learnings. Previous studies only suggest that effective business networks help in creating organizational learning that develops a firm's entrepreneurial, marketing, and dynamic capabilities (Kemper et al., 2011; Macpherson et al., 2004). However, they have not yet explored the role of TMT's intra-organizational networks as a knowledge provider. Organizational learning can be obtained by firms utilizing marketing knowledge through the co-creation process during NPD and CRM. The learning is not only inside the firm or across different units of a corporation but also together with other stakeholders, most importantly customers, but with suppliers, partners and competitors as well. This requires the top management team to deploy an appropriate strategy for selecting the co-creators systematically and letting the team members learn from all stakeholders.

This study also found that top management teams which master the art of managing both intra- and inter-organizational networks provide a distinctive advantage to their firms. However, extant studies have found that most of the top management teams tend to rely heavily on inter-organizational networks (Collins & Clark, 2003).

In summary, the results from all cases also show that the internal factors of the firms are tied to the external factors in this market. For example, a top management team's social ties to intra- and inter-organizational networks influence the development of the organization's dynamic marketing capabilities. This finding extends the previous networking relationships theory (e.g. Kemper et al., 2011; Sheng, Zhou, & Li, 2011)

that when TMT is tied with internal and external entities, it can provide a firm with new marketing knowledge and learning opportunities, which can be applied to the development of capabilities.

Proposition 1c: A top management team which can build a strong network has a positive impact on the organizational culture influencing the development of dynamic marketing capabilities.

Organizational culture influencing development of dynamic marketing capabilities

This study reveals that organizational culture of trust and accountability, learning organization, and psychological safety are essential factors in developing dynamic marketing capabilities.

Trust and accountability

Employees from the case firms perceived the opportunities given to them by their top management team as an indication of trust and accountability. The previous research only showed that opportunities to gain new knowledge and experience serve the employees in their pursuit of empire building and career security (Morck & Yeung, 1991). However, this study found that the top management team which trusts employees and allows more interactive and adaptive conversations could perform better in creating product innovation and subsequently enjoy market success (Carmeli et al., 2012; Kemper et al., 2011).

Proposition 2a: An organizational culture of trust and accountability is a key factor influencing the development of dynamic marketing capabilities.

Learning organization

This study extends the position that the development of effective dynamic marketing capabilities requires both internal and external training. Training is one of the ways in which firms develop dynamic marketing capabilities through an intentional process by learning from the experienced top management team and professional training firms (Eriksson, 2014). The results from all of the cases in this study confirm that creating dynamic marketing capabilities requires a learning organization culture that encourages the sharing of marketing knowledge on a routine basis (Gebhardt et al., 2006; Grant, 1996).

The top management team was found to play an important role in organizational learning across all of the cases in this study. These results are aligned with those of a recent study by Pryor, Holmes, Webb, and Liguori (2017), who mentioned that firms whose top management team exhibit higher learning goal orientation or higher performance show that goal orientation will develop more sensing capability than firms whose top management team have higher performance but avoid goal orientation. The reason is that a learning organization fosters a process of sensing, learning, market intelligence generation, and absorptive capacity (Day, 1994; Gebhardt et al., 2006; Güttel & Konlechner, 2009; Morgan, 2012). In addition, the marketing knowledge for reconfiguration purposes is linked to the TMT's open-minded beliefs and the employees' willingness to learn (Bruni & Verona, 2009).

Proposition 2b: A learning organization culture is a key factor influencing the development of dynamic marketing capabilities.

Psychological safety

Market knowledge usually develops over time through learning and experimentation (Day, 1994). However, this learning process may or may not always be successful in the form of tangible outcomes. Previous literature has introduced the term "psychological safety" to explain the group norm, which is the situation when group members are not afraid to speak openly and they feel secure enough to make mistakes as well as to offer and receive criticism (Edmondson, 1999, 2002; Kemper et al., 2011). Teams learn when members engage in trial and error and joint problem solving (Carmeli et al., 2012). This willingness to accept risk, learning-by-doing, and experiential learning are preferred behaviors for innovative firms (Helfat & Peteraf, 2003; Lawson & Samson, 2011; Macpherson et al., 2004; Rogers et al., 2005; Saleh & Wang, 1993). However, none of the studies have linked the psychological safety theory in the capabilities development study. Nevertheless, this research found that firms with psychological safety are better develop the DMCs than ones without. This finding was indicated clearly in the case of Srithai, Srichand and Tesco Lotus.

Proposition 2c: An organizational culture of psychological safety is a key factor influencing the development of dynamic marketing capabilities.

Role of market orientation in dynamic marketing capabilities development

Developing market orientation and dynamic capabilities has been recognized as key approaches that firms can take to achieve a competitive advantage (Day, 1994; Gebhardt et al., 2006). However, none of the extant studies on market orientation and capabilities have highlighted the embedment of market orientation in the entire dynamic marketing capabilities development process. Previous studies have only embedded market orientation in the some parts of the dynamic marketing capabilities' components (Barrales-Molina et al., 2014; Eriksson, 2014). This aligns with the main marketing research stream which has discussed the status of market orientation as a market-sensing capability (Day, 1994; Foley & Fahy, 2009; Menguc & Auh, 2006).

In contrast, this present study reveals that the dynamic marketing capabilities development process enables firms to renew their resources and capabilities through the underlying iterative process of sensing, learning, integrating, and coordinating, while the three components of market orientation, namely, intelligence generation, intelligence dissemination, and responsiveness, are embedded in this interactive process. This underlying process links to the three components of MO as grounded by Kohli and Jaworski (1990). Researchers who have studied the role of marketing in the incorporation of DCs mention the importance of MO, with some researchers even suggesting that a focus on MO is necessary in order to understand how DCs work from a general point of view. Looking at the notion, this study identifies a connection between dynamic capabilities and market orientation.

Intelligence generation as sensing capability

Market knowledge is a fundamental 'raw material' in developing this construct (Bruni & Verona, 2009; Griffith & Harvey, 2001; Menguc & Auh, 2006). In most firms, market intelligence gathering is a crucial source of the environmental information that managers need (Kohli & Jaworski, 1990; Menon & Varadarajan, 1992). To generate market intelligence, firms are required to develop sensing capability in order to sense any new opportunities and possible constraints that may affect the firm. This is the most crucial step of market orientation because if the firms fail to achieve sensing capability, it may struggle in the dissemination and responsive steps. Empirical results have consistently shown that a failure to exercise a great sensing capability during the market intelligence generation step leads to problems for firms during their NPD and CRM projects.

Proposition3a: Firms require sensing capability to sense new opportunities and threats in order to create effective market intelligence, which is the most crucial step in the dynamic marketing capabilities development process.

Intelligence dissemination as a learning capability and integrating capability

Learning capability and integrating capability are necessary tools to disseminate market knowledge within the organization. They are exhibited in the assimilation of the knowledge and the skills of the firm's employees (Grant, 1996). To be more precise, ongoing learning capability helps the team members to disseminate market knowledge effectively across departments so that new market intelligence can be used to create new knowledge, while integrating capability is the ability to embed new knowledge in operational capabilities. For information to be beneficial in the decision-making process, it must be disseminated to the appropriate persons and groups within the firm, and these individuals and groups must act on integrating the information (Kohli & Jaworski, 1990; Teece et al., 1997). Gradually, the firm's employees will routinize these processes by creatively applying their knowledge and skills to the problems and opportunities the environment presents.

Proposition 3b: Firms require learning capability and integrating capability in order to disseminate market intelligence effectively within the organization.

Responsiveness as a coordinating capability

Coordinating capability is the capacity to deploy tasks, resources and activities in new operational capabilities (Teece, 2007). It implies inter-functional coordination within the organization to be able to respond to market changes. This is the last step of dynamic marketing capabilities, when the firms are required to create the coordinated design and execution of the organization's strategic response to market opportunities after sensing appropriate market intelligence pertaining to current and future customer needs, and the relative abilities of competitive entities to satisfy these needs by learning and integrating intelligence across departments.

Proposition 3c: Firms require coordinating capability in order to respond effectively to the changing environment.

The interactive underlying process

The existing literature have not mentioned the interactive process of creating

the dynamic capabilities that involves sensing, learning, integrating, and coordinating (Teece, 2007). However, this study found that the underlying process drawn originally from Teece et al. (1997), which has been studied in a number of papers on dynamic capabilities, is interactive as seen in the existing conceptual papers. In the real-world scenarios, firms are required to go backward and forward between each capability to develop dynamic marketing capabilities successfully. As a result, this study is the first of its kind to indicate the interactive underlying process of sensing, learning, integrating, and coordinating. The key difference between this new underlying process and the original underlying process developed by Teece (2007) is in the interactive nature of the components in the new process and how this allows firms to cross between capabilities.

Proposition 3d: The underlying process of dynamic marketing capabilities development is interactive. Firms are required to go back and forth between the capabilities in order to generate, disseminate, and respond to the marketing knowledge that renews the organization as a whole.

Iterative process of dynamic marketing capabilities

Regarding the maintenance part of dynamic marketing capabilities, firms make investments in capability development based on the expected changes in their operating environments (Eriksson, 2014; Macpherson et al., 2004). The maintenance of dynamic marketing capabilities is the repeated process as mentioned in a number of previous studies (Eisenhardt & Martin, 2000; Teece et al., 1997; Wang & Ahmed, 2007).

Earlier studies (Ambrosini & Bowman, 2009; Zahra et al., 2006; Zollo & Winter, 2002) have highlighted that dynamic capabilities (DCs) were originally an ongoing learning process of utilizing, integrating, modifying and re-creating resources and intelligence to enhance organizational ability to remain competitive within changing contexts, which in turn, achieve business performance. Indeed, the literature on marketing capabilities (MCs) has also discussed the iterative process of MC development (Day, 1994; Grant, 1996; Vorhies, 1998).

As anticipated, this study found that in order to maintain dynamic marketing capabilities, firms require a continuous process of knowledge integration and they need to develop and apply their capabilities into practice. Thus, dynamic marketing capabilities can be considered a repeated process. This also concurs with the findings of

previous studies that the nature of dynamic marketing capabilities is when firms continually drive the whole responsiveness mechanism to address the new marketing environment in an iterative manner (Eriksson, 2014; Tsai & Shih, 2004).

Proposition4: The development of dynamic marketing capabilities is an iterative process in which firms are required to drive their activities continually through an underlying interactive process to maintain their capabilities.

This research has employed a qualitative research method, using Thailand as the context in which to investigate how firms could stay market-oriented over time by developing and maintaining their dynamic marketing capabilities. The results from this emerging market country indicate emerging knowledge in the strategic management and marketing fields. Scholars in these fields could further utilize the stated propositions together with the dynamic marketing capabilities development framework shown in Figure 4.41. Future research can further explore the impact of dynamic marketing capabilities as well as examining how each component affects capability development in different contexts.

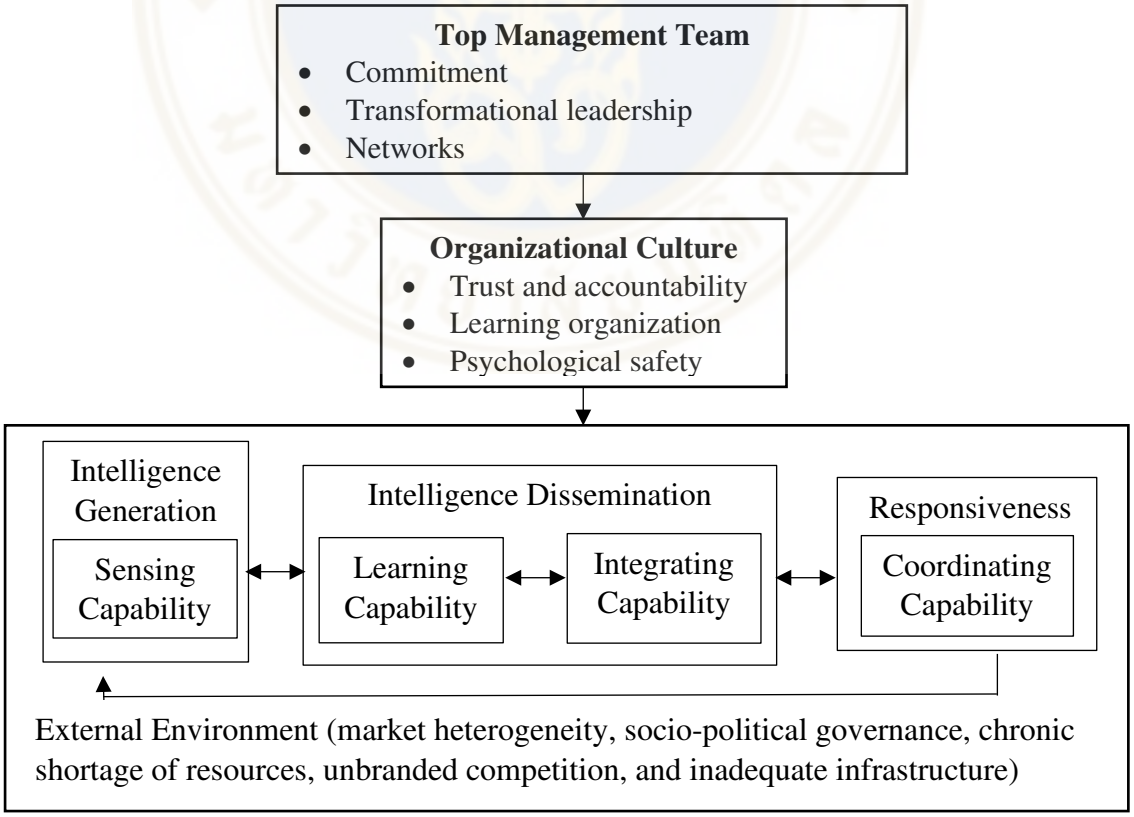

Figure 4.41 Dynamic marketing capabilities development framework

CHAPTER V
CONCLUSIONS

5.1 Conclusions

This research makes the first contribution towards helping scholars recognize and deal with the key challenges to understanding and utilizing the theory of dynamic marketing capabilities. It was able to answer the questions below on how firms in emerging markets develop and maintain their dynamic marketing capabilities.

RQ1. How can firms develop dynamic marketing capabilities to stay market-oriented over time?

RQ2. How can firms maintain dynamic marketing capabilities to stay market-oriented over time?

Based on the findings in Chapter 4, this research has identified the key answers that respond to the research questions regarding the development and maintenance of dynamic marketing capabilities. These answers are new themes emerged from five case firms, which the previous literatures have not covered.

First, the top management team has a significant impact on how the organizational culture of the firm influences the development of its dynamic marketing capabilities. While extant studies only touch on some aspects of these factors, such as the role of top management power in market orientation and dynamic capabilities development, this study gained in-depth insights from the five case firms and explored these emerging themes in detail (Delmas & Toffel, 2004; Hung et al., 2010; Kale & Singh, 2007). For example, it was able to identify that transformational leadership is the specific style of leadership DMCs requires. Another newness that worth an example is the role of TMT's networks as a knowledge provider on the DMCs development process. The TMT acts as a center, who bring marketing knowledge and give access to employees.

Second, there are three factors under the organizational culture required if firms want to develop DMCs. This culture consists of trust and accountability, the

establishment of a learning organization, and the phycological safety of the organization. Firm's top management team enables this organizational culture. It was found in this study that the top management team has a significant effect on the company's organizational culture and how this, in turn, influences the development of dynamic marketing capabilities. For example, transformational leadership style creates a great organizational culture by encouraging collaboration and open communication and by promoting sincere behaviors, which generate a culture of trust, accountability, and phycological safety (Carmeli & Gittell, 2009; Carmeli, Tishler, & Edmondson, 2012; García-Morales, Jiménez-Barrionuevo, & Gutiérrez-Gutiérrez, 2012). The implications of this finding are highly beneficial to both strategic management and marketing scholars as well as to the top management teams of companies.

Third, while none of the extant studies has ever provided definitive answers on the maintenance of these capabilities, this study is the first to confirm that the process of developing dynamic marketing capabilities is iterative (Ambrosini et al., 2009; Dixon et al., 2014; Helfat & Peteraf, 2003). In order for firms to maintain the dynamic marketing capabilities they acquire; the underlying process is both interactive and repetitive.

Fourth, the results from five case studies of firms conducting dynamic marketing capabilities through their new product development and customer relationship management activities revealed an interactive process. This finding extends the extant studies on dynamic marketing capabilities. This study found that each capability plays interactively with other capabilities. This result makes sense in this disruptive environment as the surrounding factors are constantly changing, often quickly and unexpectedly. Any firm that aims to be among the leading players in the market is required to improve its processes constantly. In such a fast-paced and dynamic environment, this is best achieved through a learning-by-doing approach, which requires an interactive rather than a static process.

Last, this study found that dynamic marketing capabilities could be applied into various business activities, specifically those related to new product development and customer relationship management, for example, production renovation, rebranding, international expansion, or even innovation invention. In addition to

showing how firms can develop their dynamic marketing capabilities, these findings could provide additional takeaways.

In this study, Thailand served as a laboratory in which to explore how firms can manage their resources to develop their capabilities in response to the chaotic environment of the country. The exploratory research design was developed carefully based on proven research designs in cooperation with using a case study approach as the research strategy (Bryman & Burgess, 1994). In this way, this multiple case study research was able to provide clear answers to the research questions. As the first step, the related literature was reviewed in order to develop the foundation, set the research questions and come up with the interview questions that would ensure the construct validity (Creswell & Miller, 2000). A pilot study was then conducted to test the suitability and appropriateness of the research design and instruments (Sinkovics et al., 2005).

Including both the pilot study and the main study, this research draws its findings from a total of fifty-two respondents. Representing industries as diverse as retail, cosmetics, foods, and household good, thirteen Thai-based firms took part in this study, including the five main case firms. The number of respondents and case firms did not create any difficulty for this research as it aimed to focus more on analytical generalization rather than quantitative generalization. This approach is intended to help the readers, both scholars and practitioners in diverse industries, utilize the findings in their works.

The data were back translated and analyzed through the pattern matching method together with the use of the N*Vivo program to assist the researcher in terms of data management (Sinkovics et al., 2005). Each case was analyzed independently and had a within-case display developed before all of the cases were then compared on a cross-case basis.

In summary, this research is able to fill the gap revealed in the problem statement presented in the early period of the project by providing empirical results that bring new knowledge to both the academic field and professional spheres. The advantages of applying a qualitative research method with multiple case studies were that it assisted this study not only in terms of exploring the factors that enable the development of dynamic marketing capabilities (Denzin & Lincoln, 2002), but also in

identifying the business ecosystem involved as well as explaining how firms can develop and maintain successful dynamic marketing capabilities.

5.2 Implications

5.2.1 Theoretical implications

This section presents three key theoretical implications identified from this study before providing comprehensive recommendations for future researchers.

First, this present study provides evidence for refining the theory of dynamic marketing capabilities. By using a qualitative methodology, it generates a number of quotes, reports, and interpretations that reflect how firms make use of dynamic marketing capabilities. According to the comprehensive review of dynamic marketing capabilities literature, only a few empirical studies have been able to give a clear answer to the question of how firms develop and maintain these capabilities, especially in emerging market settings (Evers et al., 2012; Kachouie et al., 2018; Konwar et al., 2017; Wang et al., 2013). This study, therefore, is one of the first empirical studies in the field of dynamic marketing capabilities. However, the research is aimed at contributing to conceptual refinement rather than the extension of the theory. As a result, there are areas of the concept that could be further refined and extended by scholars.

Second, it provides evidence that top management commitment and transformational leadership style could enhance the suitable culture that needed to develop the dynamic marketing capabilities of the organization. These findings have extended the recent stage of the strategic marketing management field as the previous studies have not covered the leadership style and the importance of top management team's commitment in dynamic marketing capabilities studies.

Lastly, this study found that how the organizational culture is impacted by the top management teams is a key factor influencing the development of dynamic capabilities. However, it is suggested that scholars in the strategic management and marketing field conduct further, in-depth analysis of the additional factors that may influence this development. This includes, for example, studying how firms could develop their dynamic marketing capabilities faster in response to the disruptive

environment. It is also recommended that scholars explore which other factors under the organizational culture can influence the development of dynamic marketing capabilities. In this respect, factors such as trust and accountability, a learning organization, psychological safety, and employee motivation can be further explored in greater depth. Finally, future study could consider how we can explain the factors in more detail in terms of how they influence the development and maintenance processes.

5.2.2 Managerial implications

The qualitative nature of the study enabled the researcher to interact closely with the respondents from five case firms through the in-depth interview method (Montealegre, 2002; R. K. Yin, 2017). In addition, this also gave the researcher the opportunity to observe the real environment inside these five firms. These interactions with the respondents aided this study in providing research implications that are useful for firms and business professionals.

Four implications from this multiple case study research can be of benefit for firms and individual practitioners. These implications provide suggested solutions for firms which want to develop dynamic marketing capabilities. Moreover, these implications may be found useful for individual business professionals who want to develop themselves and unleash their own potential.

First, firms could learn how to stay competitive by developing dynamic marketing capabilities. According to one of the key findings, the top management team plays an important role in the organizational culture. The top management team should be aware of their commitment to the project and their employees and they should adopt a transformational leadership style (Goleman & Boyatzis, 2008). These are the components that were found to influence the organizational culture of trust and accountability, being a learning organization, and providing psychological safety. Senior directors of the firms operating in emerging markets should consider this as a priority because these factors positively impact the organizational culture that helps the firm to develop its capabilities more effectively.

Second, the top management team should not overlook the importance of intra-organizational networks. Networks play a crucial role, especially in emerging market countries, where the collectivist culture is strongly embedded in society as well

as in business. Senior managers should focus on building networks not only with external organizations but also with internal groups. As evidenced in the findings both of extant studies and of this present study, most members of top management focus primarily on external connections, while often overlooking internal networks. When the top management team has an intra-organizational network, it can expedite the internal process of responding to market changes. Inter-personal relationships were found to be useful when firms want to create a learning organization environment or to increase the motivation levels of their employees. In addition, inter-organizational network has been found to be one of the key new marketing knowledge sources for firms (Oparaocha, 2016).

Third, firms should foster an organizational culture that supports the development of dynamic marketing capabilities. This may start with the members of the top management team showing commitment to their employees, practicing a positive leadership style, and exercising their networking capabilities (Akdeniz et al., 2010; Mahoney & Pandian, 1992). To be more precise, trust and the sense of psychological safety can be increased by allowing employees to lead projects and giving them a chance to be accountable (Gaur & Delios, 2015). A trial and error norm is one possible practice that can create a learning organization culture. This norm also helps with generating psychological safety in the organization (Carmeli et al., 2012; Kemper et al., 2011). In turn, this organizational culture could help increase the employees' motivation, which is certainly essential in enhancing their contributions to any business activities.

Last, if firms want to stay competitive and be market-oriented over time, it is necessary for them to obtain the new marketing knowledge continually and embed it into the interactive process of sensing, learning, integrating, and coordinating. This is a crucial part of the development and maintenance of dynamic capabilities as new marketing knowledge is a necessary input for the process.

5.3 Recommendations

5.3.1 Limitations

This research has provided empirical evidence on how firms in emerging

markets could successfully develop and maintain dynamic marketing capabilities in order to stay market oriented over time. However, every study may have its own limitations, which readers need to take into consideration prior to making any assumptions and conducting further research.

First, the number of respondents per case was unequal, which may lead to concerns over the compatibility of the results. Thus, the researcher tried to ask the key respondents of each firm to provide access to employees who, as much as possible, meet the respondent criteria developed for this study Triangulation of the data also was useful to solve this issue. It allows the author to cross-check with multiple sources to enhance the trustworthiness of the study (Miles & Huberman, 1994).

Second, there were a number of obstacles during the data collection process. As is commonly understood, qualitative research includes a number of sensitive issues regarding the confidentiality of the data provided by the respondents. Some of the data collected during the course of this research could not be disclosed in this study, which may influence the overall interpretations of the findings. In other to conduct the research ethically, the researcher strictly following the ethical standards of Mahidol University, e.g. the use of a consent form, information disclosure, and quality check protocol to ensure the accuracy of the findings.

Last, the consequences of dynamic marketing capabilities would provide a remarkable contribution to the field. However, this research was not able to measure the consequences of the dynamic marketing capabilities from the case firms due to the limitations of time and access to data. All of these limitations represent potential areas for future research, which will be outlined as recommendations in the final section of the dissertation.

5.3.2 Future research

There are opportunities for future studies to develop further knowledge and contributions to strategic management and market science based on this present work.

First, diversity of the cases such as firm size, ages, ownership structure can be studied if they are a moderating factor of dynamic marketing capabilities development. In addition, in order to validate and increase the applicability of the findings, replications of this research are encouraged in different industries and in other

markets where the environments are different. Dynamic marketing capabilities are appropriate and useful for the industries that require fast adaptation to market changes such as in retail, logistics and supply chains, and information technology. Future research could develop a study based on the propositions provided to enhance our understanding of dynamic marketing capabilities development.

Second, this study found that other related concepts such as market orientation and dynamic capabilities can quantitatively measure the impact of their components and related factors on business performance (Chung, 2011; Konwar et al., 2017; Malik & Kotabe, 2009). Hence, quantitative research is recommended for measuring how the top management team and organizational culture could affect the development of dynamic marketing capabilities as well as for measuring the consequences on the firms' business success.

Third, a number of issues can affect the sample size in qualitative research (Mason, 2010). Researchers should ensure the accessibility of the respondents before designing their research since a number of constrains occurred in this study regarding this issue. Scholars should also ensure they have access to the appropriate number of respondents by talking to potential authorized persons before conducting the case study.

Fourth, this research is able to explain how the process of dynamic marketing capabilities works in the real world but it cannot address the statistical generalization. Future research may consider a quantitative method to test how the factors found to be influential in this study, namely, top management teams and organizational cultures, could be statistically confirmed.

Fifth, future researchers can further study the same cases conducted in this study because the environments in which they operate are constantly changing. Studying updates of the same cases would provide a longitudinal sense of how the studied firms develop and maintain their capabilities over time (R. K. Yin, 2017).

Lastly, the results from the five cases analyzed in this study did not reveal any association between marketing capabilities and dynamic marketing capabilities. The findings did, however, emphasize the relationship between market orientation and dynamic capabilities. It would be beneficial for marketing scholars to take this finding into deeper consideration and explore the underlying association between marketing capabilities and dynamic marketing capabilities.

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