

The Effect of Marketing Tactical Capabilities on the Financial Performance of the Firms: Meta-Analysis Approach

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Abstract

Studying the effect of marketing tactical capabilities on the financial performance of the firms is now proposed as one of the most important priorities of marketing researches. However, the results of the studies in many academic fields that are conducted about a specific issue are usually contrasting. Meta-analysis is a research approach that helps the researcher to achieve a suitable combination of quantitative results of consistent and inconsistent studies in the past. Although various researches have been conducted, such contrast is also observed in the relation between marketing tactical capabilities and financial performance. Therefore, the purpose of this article was to propose and test a comprehensive model of the relation between marketing tactical capabilities and financial performance by critical reviewing of research literature on the basis of meta-analysis approach. The results show that marketing cross-functional capabilities and marketing dynamic capabilities are effective on organizational performance; however, no relation is observed between marketing specialized capabilities and organizational performance. Also, customer performance and market performance will have a positive effect on financial performance of the firm.

Keywords

Financial performance, Marketing, Marketing tactical capabilities, Meta-analysis approach.

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Introduction

Nowadays, the importance of marketing tactical capabilities in implementing the desirable decisions by managers has been increased more than ever (Kornelis *et al.*, 2008; Leeflang, 2009). Therefore, studying the effect of marketing tactical capabilities on the financial performance of the firms is now proposed as one of the most important priorities of the marketing researches due to the importance of marketing as well as desirable performance and its value for organizations (Seggie *et al.*, 2007). Many marketing researchers such as Morgan (2012), Gama (2011), and Snoj *et al.* (2007) have used one of the structure-conduct-performance theories on the basis of the dynamic resources and capabilities to propose a model which investigates the relation between marketing tactical capabilities and organizational performance. The Structure-conduct-performance theory considers the difference of the performance among the firms in terms of the ability of the firm in finding or creating and utilizing market deficiencies to decrease intensity of competition and possibility of facing with price war. According to the resource-based view, foundation of competitive advantage and performance of the firm is based on the special resources of the firm instead of the market characteristics. The dynamic capabilities theory also states that the ability to adopt methods suitable with the market environment of the firm will lead to obtain and utilize the organizational resources in order to achieve sustainable competitive advantage.

On the other hand, the results of the studies conducted about a specific academic issue are usually confusing and contrasting (Rosenthal & DiMatteo, 2001). In various researches like Menguc *et al.*, Roach (2011), and Zahay and Griffin (2004) that have been done on the relation between marketing tactical capabilities and firms' performance, such contrast is observed. Moreover, reviewing the literature regarding marketing tactical capabilities and firms' performance reveal that many studies such as Akroush and Al-Mohammad (2010), Parnell (2011), Varadarajan (2011), and Griffith *et al.*, (2010) have mainly been performed based on a non-comprehensive approach. In addition, no considerable research has been conducted to combine these theories to design a comprehensive

framework in order to test the relations among marketing tactical capabilities and financial performance.

Therefore, the purpose of this article was to propose and test a comprehensive model of the relation between marketing tactical capabilities and financial performance by critical reviewing of the research literature on the basis of the meta-analysis approach.

Hereinafter, the theoretical foundations of the research will be discussed. In this part, the concepts related to marketing tactical capabilities, and organizational performance is presented, and then through reviewing the empirical evidences the research model will be discussed. In the next section, the steps of the meta-analysis method, as the basic method of the present article, will be evaluated, according to which hypotheses of the article will be introduced. Then, the research data will be analyzed and discussed. Finally, the last section is devoted to describe the obtained results, and also the research's practical recommendations and limitations of the article will be offered.

Literature Review

Marketing Tactical Actions

Managers deal with implementing marketing initiatives at the tactical capabilities level to increase short-term profitability. Three major kinds of knowledge-based tactical capabilities have been recognized in marketing literature at business units and the firm level: the specialized marketing capabilities, the marketing cross-functional capabilities, and the marketing dynamic capabilities (Morgan, 2012, p. 104; Gama, 2011, p. 650; Varadajan, 2011, p. 35). Marketing specialized capabilities are about specific operational processes that are used inside the firm to combine and convert the required resources (Vorhies & Morgan, 2003). Marketing literature suggests that the marketing specialized capabilities of marketing are based on traditional capabilities of "the marketing mix" that is in relation with the product, pricing, communications, and distribution (Vorhies *et al.*, 2009). Marketing cross-functional capabilities are at a higher and more complex level than the specialized marketing capabilities, because they include combining a number of different specialized

capabilities (Aaker, 2008). Three most important cases of the marketing cross-functional capabilities in marketing literature include brand management, customer relationship management, and new product development (Morgan *et al.*, 2005; Boulding *et al.*, 2005; Sethi *et al.*, 2001). Marketing dynamic capabilities are the firm's ability to take part in market-based learning and applying the concluded viewpoint to recognize the resources of the firm and enhance its capabilities in a way that reflects the dynamic environment of the market (McGrath *et al.*, 1995). Combining the marketing dynamic capabilities with the current viewpoints in the strategic marketing literature illustrates that the marketing dynamic capabilities might be composed of three main elements: market learning, resource reconfiguration, and capability enhancement (Morgan, 2012, p. 109).

Organizational Performance

Morgan (2012) and Day (1994) show that organizational performance is a multi-dimensional concept, and it can be regarded at three levels of customer performance, market performance, and financial performance in a comprehensive classification (Rego *et al.*, 2009; Narver and Slater, 1990). Achieving marketing assets show the viewpoint of the target customers about the offered value by the firm and the payment to obtain this status has a direct effect on the firm's performance. Morgan *et al.* (2005) believe that market performance is another major dimension of the firm's performance. The effect on customer and the resulted improvement in marketing assets such as brand equity will affect market shares and firm's sale and through this it will be effective on competitive status of the market (Ambler *et al.*, 2002). At the same time, although superior financial performance is not always regarded as the final purpose of all activities of the managers and investors in firms, such purpose is obviously the most important aspect of the performance of any business. Financial benefits of a special marketing action can be evaluated in several ways among which return on marketing, internal rate of return, net present value or economic value-added can be mentioned (Ehrbar, 1998). Financial effect causes to change the financial status of the firm that is measured through profit, cash flow, and other standards in order to evaluate the financial status.

Given the above-mentioned points, the conceptual framework of the effect of the marketing capabilities on the financial performance is presented in Figure 1.

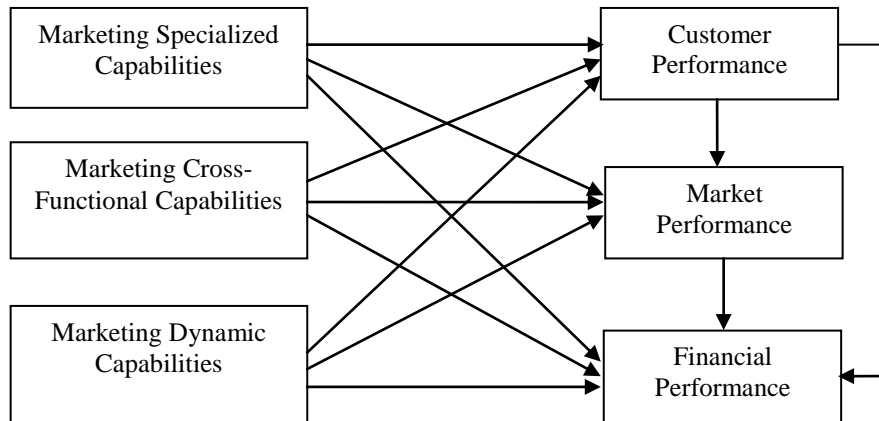


Fig. 1. Marketing productivity framework
 (Morgan, 2012, p. 104; Varadajan, 2011, p. 35; Rust *et al.*, 2004, p. 80; Bolton, 2004, p. 75)

Research Background

Remli *et al.* (2013) aimed to propose a conceptual framework to study the relationship between market orientation and organizational performance from Takaful Business’s standpoint in Malaysia. Innovation was added in this research to represent the mediating factor. Apparently, the framework suggests that market orientation positively effects performance of the organization. The findings of this research show that market orientation has a positive relationship with organizational performance. Moreover, innovation has a mediation role in the relationship between market orientation and organizational performance. Rubera and Kirca (2012) employ meta-analytic techniques to integrate the fragmented literature on firm innovativeness using data obtained from 159 independent samples reported in 153 studies. The findings of the study indicate that innovativeness indirectly affects firm value through its effects on market position and financial position, consistent with the chain-of-effects model. In addition, the study also demonstrates that innovativeness has direct positive effects on financial position and

firm value. Moreover, the findings of the meta-analysis suggest that prior level of performance influences subsequent levels of innovativeness, but in a positive rather than a negative way. In the research of Cano *et al.* (2004), a meta-analysis was conducted to investigate the impact of market orientation on business performance. The findings suggest that the relationship between market orientation and business performance is positive and consistent worldwide. One of the unique contributions of this research is a sample that includes studies conducted in 23 countries spanning five continents.

Meta-analysis Approach

As it was mentioned earlier, the purpose of this article was to investigate the effect of marketing tactical capabilities on the financial performance of the firms by means of meta-analysis approach. Meta-analysis is a research approach that helps the researcher to achieve a suitable combination of the results of consistent and inconsistent studies in the past, explain the contrasts, and identify the structural moderating variables in the results of previous studies (Rosenthal & DiMatteo, 2001). Meta-analysis approach in this research was implemented in seven phases (Ortega, 2011; Bronstein *et al.*, 2009; Ghazi Tabatabaee & Dadhir, 2011; Houman, 2009). Here, the seven steps of the meta-analysis approach in the present article will be explained.

Step One: Definition of Research Variables

In the first phase, independent and dependent variables were determined (Ortega, 2011; Bronstein *et al.*, 2009; Ghazi Tabatabaee & Dadhir, 2011; Houman, 2009). The independent variable in the accomplished meta-analysis was the marketing tactical capabilities in the firms. The dependent variable was the firms' performance (Harmancioglu, 2010; Snoj *et al.* 2009; Green *et al.*, 2008; Hughes and Morgan, 2007; Zahay and Griffin, 2004; Baker and Sinkula, 1999). Different dimensions and indexes of the marketing tactical capabilities and organizational performance are shown briefly in Table 1.

Table 1. Index of research variables framework

Variables	Main Aspects	Sub-Dimensions
Marketing Tactical Capabilities	Marketing Specialized Capabilities	Product, Price, Promotion, Distribution, After Sale Service.
	Marketing Cross-Functional Capabilities	New Product Development, Brand Management, Customer Relationship Management.
	Marketing Dynamic Capabilities	Market Information Management, Market Learning, Resource Reconfiguration.
	Customer Performance	Customer Retention, Customer Satisfaction, New Customer Acquisition, Customer Loyalty.
Organizational Performance	Market Performance	Sales Income, Sales Volume, Market Share.
	Financial Performance	Profitability, Profit Margin, Earning before Interest and Tax (EBIT), Return on Investment (ROI), Cost Management.

Source: Morgan *et al.*, 2012; Varadajan, 2011; Rust *et al.*, 2004; Bolton, 2004.

Step Two: Collecting Previous Researches

A report of previous studies was collected in the second phase (Ghazi Tabatabaee & Dadhir, 2011; Houman, 2009). The numbers of the articles collected are given respectively in Tables 2 and 3.

Table 2. The number of the articles collected from different scientific sources

Article Source	Number of Articles
Searching in Electronic Databases	537
References of the Researches	128
Total	665

Table 3. Electronic databases and the number of the articles collected from them

Database	Number of the articles
ProQuest	206
Springer	48
Science Direct	118
Emerald	83
Google	50
Magiran	18
Total	523

StepThree: Selecting Available Researches

The suitable studies in the statistical population were selected in the third phase (Ghazi Tabatabaee & Dadhir, 2011; Houman, 2009). Considering the standards of meta-analysis approach, some of these studies are not suitable. The characteristics caused the exclusion of identified researches from the meta-analysis process, and the numbers

of the researches that have been excluded in terms of these characteristics are given in Table 4.

Table 4. Reasons for exclusion of articles from the statistical population

Reasons for Exclusion	The Number of Unusable Articles
When information necessary for calculating the effect size is not provided	175
When the article, for measuring marketing activities and organizational performance, has used inappropriate indicators	72
When the relationship between the dependent and independent variables has been measured qualitatively and non-statistically	56
Total	303

Therefore, the remaining numbers of the researches having the features to be included in meta-analysis were obtained as 220 articles.

Given that the number of the suitable studies was high and at the same time it was not possible for the researcher to study all of them in terms of time, the stratified random sampling was used to select the sample. Finally, one hundred forty two articles were selected as the sample size. Number of the collected studies from each resource is shown separately in Table 5.

Table 5. Databases and the usable, unusable, and selected articles (1993-2013)

Database	Unusable Articles	Usable Articles	Selected Articles
ProQuest	118	88	63
Springer	19	29	14
Science Direct	77	41	26
Emerald	48	35	22
Google	33	17	8
Magiran	8	10	9
Total	303	220	142

The point that should be noted is that the presented articles have usually reported more than one effect size. The articles used in meta-analysis process have included 1033 effect sizes.

Step Four: Collecting the required data from the selected articles

In the fourth phase, the required information was collected from each study. List of the information that must be collected from the reports is divided into two classes (Ghazi Tabatabaee & Dadhir, 2011; Houman, 2009): 1- the general information about the articles, and 2- the required information to calculate the effect size. List of the required information is presented in Table 6.

Table 6. List of the required information

General Information of Studies	Information Related to Effect Size Calculation
Research Title, Researcher Name, Journal Name.	Correlation Coefficient, Adjusted R ² , P-Value, t-Statistics, z-Statistics, Mean of Control Group, Mean of Experimental Group, Pooled Variance of Groups, Pooled Standard deviation of Groups.

Source: Ghazi Tabatabaee & Dadhir, 2011; Houman, 2009

Step Five: Calculating the Effect Size

The effect size calculate in the phase five (Ortega, 2011; Bronstein *et al.*, 2009; Ghazi Tabatabaee & Dadhir, 2011; Houman, 2009). The calculated effect size in this research will be the effect size r. The formulas to convert the statistic into effect size r are based on Table 7.

Table 7. Calculation of effect size for different methods of research and data analysis

Research Method	Analysis Approach	Analysis Tool	Statistics	r Calculation
Correlation	Regression	Regression Equation	t	$\sqrt{\frac{t^2}{t^2 + (N - 2)}}$
Correlation	Correlation Coefficient	Pearson Coefficient	r	Effect Size equal to r
Difference of Two Population	Difference of Mean	$M_1 - M_2 > 0$	t	$\sqrt{\frac{t^2}{t^2 + (N - 2)}}$
Difference of Two Population	Difference of Mean	$M_1 - M_2 < 0$	z	$\frac{Z}{\sqrt{N}}$
Experts Opinion	Mean of Relationship	Average Test	t	$\sqrt{\frac{t^2}{t^2 + (N - 2)}}$
Correlation	Regression	Regression Equation	R ²	$\sqrt{r^2}$
Difference of Multiple-Population	Analysis of Variance	Variance	F	$\sqrt{\frac{t^2}{t^2 + (N - 2)}}$

Source: Ortega, 2011; Ghazi Tabatabaee&Dadhir, 2011; Houman, 2009)

Step Six: Evaluating Homogeneity or Heterogeneity of the Effect Sizes

The existing homogeneity and heterogeneity in effect sizes were evaluated in phase six (Ortega, 2011; Ghazi Tabatabaee & Dadhir, 2011; Houman, 2009). According to the explanations above, results of the studies related to the effect of the marketing tactical capabilities on the organizational performance are not consistent. Hence, according to this theory, the calculated effect sizes in different studies must be different and divergent from each other. The statistic Q_t, variance, chi-square test, and visual observation of the effect sizes are usually used

to determine the homogeneity or heterogeneity of the effect size (Ortega, 2011).

Step Seven: Calculating the Combined Effect Size

Finally, the last phase shows the strength of the relation among indexes of the marketing tactical capabilities and the financial performance. Statistical estimation z using the formula below has been suggested for testing the hypothesis above (Littell *et al.*, 2008; Ghazi Tabatabaee & Dahir, 2011):

$$Z_r \pm t_{(0.05)} S / \sqrt{K}$$

Z_r : non-weighted average of z fishers converted from r

$T_{(0.05)}$: the required amount of t for two-way P-value (0.05) for $k-1$

K : number of the studies from which Z_r has been calculated

S : standard deviation of the calculated Z_r

If the calculated confidence interval includes zero, it can be claimed that the effect size, which shows the relation between two variables, is not significant. If mean of the calculated effect size is positive, the relation between the two variables is positive and if it is negative, the relation is negative too (Schunk & Schrader, 1993). Correlation coefficients less than 0.1 (>-0.1) are considered as small coefficients, correlation coefficients between 0.1 and 0.3 (between -0.1 and 0.3) are considered as moderate correlation coefficients, and those higher than 0.3 (<-0.3) are considered as large correlation coefficients (Hunter & Schmidt, 2004, p. 161). Thus, it can be stated that if the mean of the effect size is at the middle and large level, the relation is confirmed and if it is at the small level, the relation is not conformed (Ortega, 2011; Ghazi Tabatabaee & Dahir, 2011; Houman, 2009).

Research Hypotheses

Marketing tactical capabilities aim to fulfill the market-related needs of the business, allowing the firms to provide superior added value and to adapt better to changing market conditions (Tsai & Shih, 2004; Weerawardena, 2003). A growing number of the studies have emphasized the role of the marketing tactical capabilities in achieving

and sustaining the competitive advantage (e.g., Song *et al.*, 2008). In addition, as noted previously, Hunt and Morgan (1995) argue, "a comparative advantage in the marketing tactical capabilities, then, can translate into a competitive advantage in the marketplace and the superior financial performance". Therefore, the primary hypothesis of this research is as follows:

- ❖ There is a relationship between marketing tactical capabilities and organizational performance.

The literature suggests that specialized marketing capabilities are based around the classical "marketing mix" of activities concerned with product, pricing, communications, and distribution (Vorhies *et al.*, 2009). Superior product management capabilities should positively affect firm performance (Roach, 2011). Price management capability is a significant predictor of the firm's performance (Tooksoon and Mohamad, 2010). The capability in managing promotion is the factor that contributes to the higher in organization performance. The positive relationship shows that firms that build its competitiveness based on its combined promotional efforts with its channel partners will register higher performance (Shamsuddoha & Ali, 2006). Therefore, the sub-hypotheses one to three are as below:

1. There is a relationship between marketing specialized capabilities and customer performance.
2. There is a relationship between marketing specialized capabilities and market performance.
3. There is a relationship between marketing specialized capabilities and financial performance.

Three of the most important cross-functional marketing capabilities identified in the extant literature are: brand management, customer relationship management, and new product development (Morgan, 2012). Firms with strong brand management capabilities are likely to enjoy higher revenue growth rates through the attraction of new customers (Morgan *et al.*, 2009). Moreover, the innovation literature has indicated that a formidable relationship exists between new product development and organization performance. As such, the more value the new product provides, the more satisfied and loyal a firm's customers. The higher the value its customers perceive, the more likely the firm's customers will perceive the new product as

being of higher quality, which in turn leads to increased performance (Cheng and Krumwiede, 2010). Firms with strong customer relationship management capabilities should focus their resources on those customers who are the most profitable and those who represent a high potential for future profits. As a result, such firms should be able to increase their performance at a higher rate by continually lowering the average cost of serving customers (Bolton *et al.*, 2004). Therefore, the sub-hypotheses four to six are as follows:

4. There is a relationship between marketing cross-functional capabilities and customer performance.
5. There is a relationship between marketing cross-functional capabilities and market performance.
6. There is a relationship between marketing cross-functional capabilities and financial performance.

The literature suggests numerous reasons to expect that market-sensing capabilities may be linked with firms' performance. Superior market-sensing capabilities allow a firm to identify underserved segments and those where its rivals' offerings may not be fulfilling customer and channel requirements (Slater & Narver, 2000). These underserved and/or unsatisfied segments provide good targets for the firm's efforts to increase performance by attracting new customers (Hult, 2005). Superior market sensing allows a firm to learn more and learn faster about customer and competitor reactions to its performance enhancement efforts, providing insights that are necessary to allow the firm to increase the rate at which such growth outcomes are achieved (Slater and Narver, 2000). Therefore, the sub-hypotheses seven to nine are as follows:

7. There is a relationship between marketing dynamic capabilities and customer performance.
8. There is a relationship between marketing dynamic capabilities and market performance.
9. There is a relationship between marketing dynamic capabilities and financial performance.

Meanwhile, firm's improved customer and market performance will positively affect their financial performance. This is because higher levels of customer satisfaction increase customer loyalty. As such, because loyal customers are less sensitive to price changes,

firms can offer premium prices, leading to a higher profit or market share. In addition, the positive reputation that results from higher levels of market performance enables the firm to attract new customers and, as a result, increase a firm’s profit (Prince and Simon 2009). Therefore, the sub-hypotheses ten to twelve are as follows:

10. There is a relationship between customer performance and market performance.
11. There is a relationship between customer performance and financial performance.
12. There is a relationship between market performance and financial performance.

Data Analysis

Confidence interval and weighted mean of the effect size related to the sub-hypotheses one to three are presented in Table 8.

Table 8. Confidence interval and weighted means of the effect size related to the Sub-hypotheses one to three

Index of Marketing Tactical Capabilities	Index of Performance	Confidence Interval of the Effect Size	Weighted Mean of the Effect Size
Marketing Specialized Capabilities	Customer Performance	(0.083,0.312)	0.113
Marketing Specialized Capabilities	Market Performance	(0.158,0.321)	0.064
Marketing Specialized Capabilities	Financial Performance	(0.1,0.207)	0.046

Confidence interval and the effect size of the marketing specialized capabilities on the customer performance are in the positive range (0.083, 0.312) and do not contain zero. Similarly, the weight mean of the effect size is equal to 0.113. The obtained combined effect size is at the level of the moderate effect sizes (between 0.1 and 0.3). Thus the sub-hypothesis one cannot be rejected. It means that there is a relationship between the marketing specialized capabilities and the customer performance. Confidence interval and the effect size of the marketing specialized capabilities on the market performance are in the positive range (0.158, 0.321) and do not contain zero. Similarly, the weight mean of the effect size is equal to 0.064. The obtained combined effect size is at the level of the small effect sizes (smaller than 0.1). Thus, the sub-hypothesis two is not accepted. It means that there is not a relationship between the marketing specialized

capabilities and the market performance. Confidence interval and the effect size of the marketing specialized capabilities on the financial performance are in the positive range (0.1, 0.207) and do not contain zero. Similarly, the weighted mean of the effect size is equal to 0.046. The obtained combined effect size is at the level of the small effect sizes (smaller than 0.1). Thus, the sub-hypothesis three is not accepted. It means that there is not a relationship between the marketing specialized capabilities and the financial performance.

Confidence interval and weighted mean of the effect size related to the sub-hypotheses four to six are shown in Table 9.

Table 9. Confidence interval and weighted mean of the effect size related to the secondary hypotheses four to six

Index of Marketing Tactical Capabilities	Index of Performance	Confidence Interval of the Effect Size	Weighted Mean of the Effect Size
Marketing Cross-functional Capabilities	Customer Performance	(0.174,0.256)	0.215
Marketing Cross-functional Capabilities	Market Performance	(0.098,0.562)	0.293
Marketing Cross-functional Capabilities	Financial Performance	(0.101,0.284)	0.166

Confidence interval and the effect size of the marketing cross-functional capabilities on the customer performance are in the positive range (0.174, 0.256) and do not contain zero. Similarly, the weighted mean of the effect size is equal to 0.215. The obtained combined effect size is at the level of the moderate effect sizes (between 0.1 and 0.3). Thus, the sub-hypothesis four cannot be rejected. It means that there is a relationship between the marketing cross-functional capabilities and the customer performance. Confidence interval and the effect size of the marketing cross-functional capabilities on the market performance are in the positive range (0.098, 0.562) and do not contain zero. Similarly, the weighted mean of the effect size is equal to 0.293. The obtained combined effect size is at the level of the moderate effect sizes (between 0.1 and 0.3). Thus, the sub-hypothesis five cannot be rejected. It means that there is a relationship between the marketing cross-functional capabilities and the market performance. Confidence interval and the effect size of the marketing cross-functional capabilities on the financial performance are in the positive range (0.101, 0.284) and do not contain zero. Similarly, the

weighted mean of the effect size is equal to 0.166. The obtained combined effect size is at the level of the moderate effect sizes (between 0.1 and 0.3). Thus the sub-hypothesis six cannot be rejected. It means that there is a relationship between the marketing cross-functional capabilities and the financial performance.

Confidence interval and the weighted mean of the effect size related to the sub-hypotheses seven to nine are presented in Table 10.

Table 10. Confidence interval and weighted mean of the effect size related to the sub-hypotheses seven to nine

Index of Marketing Tactical Capabilities	Index of Performance	Confidence Interval of the Effect Size	Weighted Mean of the Effect Size
Marketing Dynamic Capabilities	Customer Performance	(0.085,0.259)	0.215
Marketing Dynamic Capabilities	Market Performance	(0.146,0.372)	0.293
Marketing Dynamic Capabilities	Financial Performance	(0.015,0.163)	0.166

Confidence interval and the effect size of the marketing dynamic capabilities on the customer performance are in the positive range (0.085, 0.259) and do not contain zero. Similarly, the weighted mean of the effect size is equal to 0.144. The obtained combined effect size is at the level of the moderate effect sizes (between 0.1 and 0.3). Thus the sub-hypothesis seven cannot be rejected. It means that there is a relationship between the marketing dynamic capabilities and the customer performance. Confidence interval and the effect size of the cross marketing dynamic capabilities on the market performance are in the positive range (0.146, 0.372) and do not contain zero. Similarly, the weighted mean of the effect size is equal to 0.233. The obtained combined effect size is at the level of the moderate effect sizes (between 0.1 and 0.3). Thus, the sub-hypothesis eight cannot be rejected. It means that there is a relationship between the marketing dynamic capabilities and the market performance. Confidence interval and the effect size of the marketing dynamic capabilities on the financial performance are in the positive range (0.015, 0.163) and do not contain zero. Similarly, the weighted mean of the effect size is equal to 0.081. The obtained combined effect size is at the level of the small effect sizes (smaller than 0.1). Thus, the sub-hypothesis nine is not accepted. It means that there is not a relationship between the

marketing dynamic capabilities and the financial performance.

Confidence interval and the weighted mean of the effect size related to the sub-hypotheses ten to twelve are shown in Table 11.

Table 11. Confidence interval and weighted mean of the effect size related to the sub-hypotheses ten to twelve

Index of Performance	Index of Performance	Confidence Interval of the Effect Size	Weighted Mean of the Effect Size
Customer Performance	Market Performance	(0.133,0.235)	0.207
Customer Performance	Financial Performance	(0.154,0.242)	0.199
Market Performance	Financial Performance	(0.015,0.163)	0.29

Confidence interval and the effect size of the customer performance on the market performance are in the positive range (0.133, 0.235) and do not contain zero. Similarly, the weighted mean of the effect size is equal to 0.207. The obtained combined effect size is at the level of the moderate effect sizes (between 0.1 and 0.3). Thus, the sub-hypothesis ten cannot be rejected. It means that there is a relationship between the customer performance and the market performance. Confidence interval and the effect size of the customer performance on the financial performance are in the positive range (0.154, 0.242) and do not contain zero. Similarly, the weighted mean of the effect size is equal to 0.199. The obtained combined effect size is at the level of the moderate effect sizes (between 0.1 and 0.3). Thus, the sub-hypothesis eleven cannot be rejected. It means that there is a relationship between the customer performance and the financial performance. Confidence interval and the effect size of the market performance on the financial performance are in the positive range (0.015, 0.163) and do not contain zero. Similarly, the weighted mean of the effect size is equal to 0.29. The obtained combined effect size is at the level of the moderate effect sizes (between 0.1 and 0.3). Thus, the sub-hypothesis twelve cannot be rejected. It means that there is a relationship between the market performance and the financial performance.

Finally, confidence interval and the weighted mean of the effect size related to the main hypothesis are presented in Table 12.

Table 12. Confidence interval and weighted mean of the effect size related to the main hypotheses

Index of Marketing Actions	Index of Performance	Confidence Interval of the Effect Size	Weighted Mean of the Effect Size
Marketing Tactical Capabilities	Organizational Performance	(0.191,0.231)	0.14

Confidence interval and the effect size of the marketing tactical capabilities on the organizational performance are in the positive range (0.191, 0.231) and do not contain zero. Similarly, the weighted mean of the effect size is equal to 0.14. The obtained combined effect size is at the level of the moderate effect sizes (between 0.1 and 0.3). Thus, the main hypothesis of the research cannot be rejected. It means that there is a relationship between the marketing tactical capabilities and the organizational performance.

Discussion

Marketing tactical capabilities are complex processes that involve combining the market knowledge and organizational resources to generate added value. Hunt and Morgan (1995) argue, "a comparative advantage in the marketing tactical capabilities, then, can translate into a competitive advantage in the marketplace and superior financial performance". This research also focused on the relationship between the marketing tactical capabilities and the financial performance by using the meta-analysis approach (Morgan *et al.*, 2012; Varadajan, 2011; Rust *et al.*, 2004; Bolton, 2004).

The results demonstrate that the marketing specialized capabilities have a positive effect on the customer performance, while the relation between the marketing specialized capabilities and the market performance and financial performance is not confirmed. These results are consistent with Roach (2011) and Aaker (2008). A specialized marketing capability is one of the capabilities that have been identified to support a sustainable competitive advantage of the firm. Specialized marketing capabilities including the market segmentation, product quality, pricing strategy, dealer support, and advertising were found to be significantly associated with the organization performance (Leonidou *et al.*, 2002).

Also, there is a positive relation among the marketing cross-functional capabilities and the three indexes of the customer

performance, market performance, and financial performance. These results are consistent with Ramaswami *et al.* (2009) and Lai and Cheng (2003). Marketing cross-functional capabilities facilitates identification of the specific customer needs. Consequently, the marketing cross-functional capabilities are essential for optimal value creation that enhance the customer satisfaction and subsequently the market and financial performance of the firm (Matanda *et al.*, 2009).

Marketing dynamic capabilities have a positive relation with the customer performance and market performance; however, no relation was observed between the marketing dynamic capabilities and the financial performance. These results are consistent with Akroush and Al-Mohammad (2010) and Baker and Sinkula (1991). Marketing dynamic capabilities allows the firm to learn more and faster about the customer and competitor reactions to its past revenue enhancement efforts (Morgan *et al.*, 2009). From the performance perspective, superior marketing dynamic capabilities allow the firm to identify underserved segments. These underserved and/or unsatisfied segments also provide good targets for attracting new customers (Morgan *et al.* 2005).

Ultimately, based on the results of the present article, enhancement of the customer performance and the market performance can increase the financial performance. These results are consistent with Morgan (2012) and Varadarajan (2012). While the audits and market orientation look at activities, the marketing assets are the consequence of activities that help to build the customer franchise over time. Customer results are then the nearest outcome and also the link between the market and financial performance (Doyle, 2000).

Managerial Implications

Many marketing researchers (e.g., Morgan, 2012; Gama, 2011; and Snoj *et al.* 2007) have used one of the structure-conduct-performance theories on the basis of the dynamic resources and capabilities to propose a model that investigates the relation between the marketing tactical capabilities and the organizational performance. Thus, reviewing the research literature reveals that many intended studies have mainly been performed based on a non-comprehensive approach

and no considerable research has already been conducted comprehensively to combine these theories to design a comprehensive framework in order to test the relations among the marketing tactical capabilities and the financial performance. In addition, the results of the various conducted studies such as Akroush and Al-Mohammad (2010), Varadarajan (2011), and Griffith *et al.* (2010) are not consistent: There is a high disagreement about the claim whether the marketing tactical capabilities can have a desirable effect on the firms' performance or not. Therefore, it was tried in this article to propose and test the comprehensive model of the relation between the marketing tactical capabilities and the financial performance. According to meta-analysis approach and the obtained results from previous studies, a final result was obtained with a high degree of confidence about existence or nonexistence of the relation among the indexes of marketing tactical capabilities and financial performance.

According to the obtained results, it is suggested to managers of the firms to take action to enhance the marketing cross-functional capabilities and marketing dynamic capabilities in order to improve the financial performance. Paying special attention to modern topics of marketing such as the customer relationship management, brand management, and new product development is one of the strategies suggested to develop the cross-functional marketing capabilities. Moreover, trying for optimized management of marketing information, establishment of the organizational learning culture, and improvement of the market knowledge of employees are among the most important strategies suggested to enhance the dynamic marketing capabilities.

Limitations and Future Research

Several limitations of this study are now put forward. First, the selection bias may be a limitation of the study. Although diligence was exercised to reduce the selection bias, this threat is inherent to the nature of meta-analysis. Second, other variables not directly tested in this study like the marketing strategic capabilities or the marketing resources have been theorized as affecting the firm performance. Third, although a positive relationship exists between the marketing

tactical capabilities and the firm performance, an assessment of the causality is not addressed in this study. To address some of these limitations, the following research areas are proposed.

It is suggested that future researchers investigate the effect of other marketing capabilities like the marketing strategic capabilities and also various resources of marketing on the performance of the firms using the meta-analysis approach. Another suggestion is to use the meta-analysis approach to identify the most important moderating variables of the relation between the marketing capabilities and the performance like the characteristics of research topic.

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