

RESEARCH ARTICLE

The Antecedents of Strategic Customer Response Capability: Empirical Evidence of Cosmetic Businesses in Thailand

Chorchat Sajjaviriya¹

Prathanporn Jhundra-indra²

Sutana Boonlua³

(Received: January 31, 2020; Revised: May 30, 2020; Accepted: June 26, 2020)

Abstract

The article aims to monitor the antecedents that include survival vision, customer oriented culture, customer diversity influence of strategic customer response capability by this quantitative research. The contingency theory applied to describe the phenomena in the study is discussed. This theory can describe the relationship among internal factors, external factors and marketing strategy. The population was obtained from a list on the database of the Department of Business Development (DBD). Additionally, the model is tested with data from 162 cosmetic firms in Thailand's

¹ Doctor Student, Doctor of Philosophy Program in Marketing Management Program, Mahasarakham Business School, Mahasarakham University, Email: chorchat.sj@gmail.com (Corresponding Author)

² Lecturer Ph.D., Mahasarakham Business School, Mahasarakham University,
E-mail: prathaporn.j@acc.msu.ac.th

³ Assistant Professor Ph.D., Mahasarakham Business School, Mahasarakham University,
E-mail: sutana.t@acc.msu.ac.th

email survey questionnaires. The OLS regression for the testing of hypotheses has been adopted. Strategic customer response capability is one of the most significant instruments for making prevalent execution, particularly, with the high fashion firm that is identified with quick rate style changes and has made firms to have numerous apparatuses for creating new values or modifying marketing components. Then, the results revealed a considerably beneficial effect on strategic customer response capability, including survival vision, customer oriented culture and customer diversity. Moreover, cosmetic firms that want to sustainable growth should consider these three antecedents. They should focus on developing their firm to preserve and extend the life of its competitive market position. Likewise, the result can be effect direction for strategic customer response capability as well as evolving marketing of cosmetic firms.

Keywords: Strategic Customer Response Capability, Survival Vision, Customer Oriented Culture, Customer Diversity

บทความวิจัย

ตัวแปรต้นเหตุของความสามารถในการตอบสนองลูกค้า เชิงกลยุทธ์: หลักฐานเชิงประจักษ์จากธุรกิจเครื่องสำอางใน ประเทศไทย

ช่อฉัตร สัจจาวิริยะ¹

ประทานพร จันทรอินทร์²

สุธนา บุญเหลือ³

บทคัดย่อ

การศึกษานี้มีวัตถุประสงค์เพื่อตรวจสอบอิทธิพลของตัวแปรอิสระซึ่งประกอบไปด้วย วิธีชีวิตเพื่อความอยู่รอด วัฒนธรรมองค์กรมุ่งเน้นลูกค้าและความหลากหลายของลูกค้าที่มีอิทธิพลต่อความสามารถในการตอบสนองลูกค้าเชิงกลยุทธ์ โดยใช้วิธีวิจัยเชิงปริมาณ ทฤษฎีเชิงสถานการณ์นั้นสามารถประยุกต์ใช้ในการอธิบายงานชิ้นนี้ ทฤษฎีนี้สามารถอธิบายความสัมพันธ์ระหว่างปัจจัยภายในปัจจัยภายนอกและกลยุทธ์ทางการตลาด ข้อมูลประชากรนำมาจากกรมพัฒนาธุรกิจการค้า นอกจากนี้ การเก็บข้อมูลจากกลุ่มตัวอย่างของธุรกิจเครื่องสำอางในประเทศไทยจำนวน 162 คน โดยใช้แบบสอบถาม และใช้การวิเคราะห์สมการถดถอยในการทดสอบสมมติฐาน การมุ่งเน้นความสามารถในการตอบสนองลูกค้าเชิงกลยุทธ์เป็นหนึ่งในเครื่องมือที่สำคัญการที่ใช้ในการ

¹ นิสิตหลักสูตรปรัชญาดุษฎีบัณฑิต สาขาวิชาการจัดการการตลาด คณะการบัญชีและการจัดการ มหาวิทยาลัยมหาสารคาม E-mail: chorchat.sj@gmail.com (Corresponding Author)

² อาจารย์ ดร. คณะการบัญชีและการจัดการ มหาวิทยาลัยมหาสารคาม
E-mail: prathaporn.j@acc.msu.ac.th

³ ผู้ช่วยศาสตราจารย์ ดร. คณะการบัญชีและการจัดการ มหาวิทยาลัยมหาสารคาม
E-mail: sutana.t@acc.msu.ac.th

ดำเนินงานโดยเฉพาะอย่างยิ่งกิจการที่เกี่ยวข้องด้านแฟชั่นอย่างมาก ซึ่งมีลักษณะการเปลี่ยนแปลงที่รวดเร็วและสามารถสร้างค่านิยมใหม่ ๆ ทางด้านการตลาด ซึ่งผลการศึกษาพบว่า วิสัยทัศน์เพื่อความอยู่รอด วัฒนธรรมองค์กร มุ่งเน้นลูกค้า และความหลากหลายของลูกค้า มีอิทธิพลเชิงบวกต่อการมุ่งเน้นความสามารถในการตอบสนองลูกค้าเชิงกลยุทธ์อย่างมีนัยสำคัญทางสถิติ นอกจากนี้ กิจการเครื่องสำอางที่ต้องการเติบโตอย่างยั่งยืนควรจะพิจารณาตัวแปรอิสระทั้งสามตัวแปรนี้ และกิจการควรจะมุ่งเน้นในการพัฒนากิจการเพื่อรักษาและยืดอายุของตำแหน่งทางการตลาดที่แข่งขันได้ ในทำนองเดียวกัน ผลการศึกษาที่พบสามารถนำไปใช้ในการกำหนดความสามารถในการตอบสนองลูกค้าเชิงกลยุทธ์ อีกทั้งยังช่วยพัฒนาด้านการตลาดของกิจการเครื่องสำอางอีกด้วย

คำสำคัญ: ความสามารถในการตอบสนองลูกค้าเชิงกลยุทธ์ วิสัยทัศน์เพื่อความอยู่รอด วัฒนธรรมองค์กรมุ่งเน้นลูกค้า ความหลากหลายของลูกค้า

Introduction

Homburg, Krohmer and Workman (2004) explain that Marketing strategy includes a large number of processes, beginning with the scan of variables that can influence both internal and external firm activities. Hawkins and Mothersbaugh (2007) describe the marketing strategy scheme that starts with the firm sets out its marketing objectives. Afterward, the company must take a look at internal and external factors and its client to generate a marketing strategy containing activities that can distribute the ideals and benefits that the customer can derive from these activities and that the firm also benefits. The marketing paradigm appeared in the 1980s as it moved from a dominant point of view to a dominant service approach to customer relations. (Berry, 1983; Grönoos, 1994; Gummesson, 1994). Meanwhile, the understanding of customer response is diversified and perspectives of marketing management are varied. One would expect to be more responsive to changing market conditions when the possibility is symbolic. Then the signal starts and the other member of the organization participates. (Dutton, 1993). The firms need to maintain a satisfactory level of quality of their products and services and respond to customer requirements. (Ruekert, 1992). However, the customer's response varies widely from a focus on organizational cohesion and the consistency and repeat of internal bureaucracy (Filstad & Gottschalk, 2010). A firm that focus on serving customers with what they want, the way they want it, and when they want it (Walsh, 2007). Then, responsiveness can be one of the most significant capacity companies need to attain competitive benefit (Bernardes & Hanna, 2009).

Marketing researchers concentrate on placing a business on a market where customer demands are very distinct and evolving (Piller & Muller, 2004; Sigala, 2006). The capacity to recognize customer needs and needs complement the capacity to develop and develop adequate relationships (Hooley, Greenley, Cadogan, & Fahy, 2005). In the view of a customer-oriented approach, it is intended better than its rivals to generate and capture value by fulfilling customer requirements. The traditional product-centric approach is extended by stressing the entire experience of customers, from sales and maintenance to development. (Davenport, Harris, & Kohli, 2001). In analyzing situations, firm superior competitive advantage is the result of successful strategic implementation (Ussahawanitchakit, 2011). In additionally, this research applies contingency theory which describes the phenomena and supports the relationships of the overall constructs in this model. Secondly, the antecedents of strategic customer response capability are the concepts in empirical research. Then, the outcomes of this research would benefit to marketing exclusive of cosmetic businesses or businesses of a similar nature. Also, strategic customer response capability is a reactive operation to increase the competitive advantage.

From database online of the Department of Business Development (updated in April 2016), the overall of cosmetic market in Thailand is valued in 2010 at approximately US\$ 2.15 million (64.5 billion Baht). In addition, the changing of the external environment comprising Thai Baht's appreciation, Asian Free Trade Area, and the advance in technology is the causes of increasing factors for the intensive competitive environment in both industries.

Then, cosmetics have a greater role in daily life. It is even more cosmetics has been developed to better meet the various companies trying to produce. Then cosmetics can satisfy customers. The cosmetics are developed and updated regularly as well as culture and values change. The contributed to the need to change as well. In addition, this study attempts to identify a gap that the antecedent factors to enhance strategic customer response capability.

Thailand's cosmetics companies are selected for their population and samples as marketing situations in strong competitive settings are rapidly rising and changing. The questionnaire was used as an instrument. It was forwarded by mail based upon the definition of each construction and the reviews of the literature. In total, 1,050 firms in Thailand have been selected as population and sample. These firms have credible which, received right in supportive on investment from Thai government. The population was collected from the Department of Business Development (DBD) database. The key participants were executive marketing. In addition, A pre-test method for evaluation of the validity and reliance of the questionnaires during the non-response bias test is appropriate to certify outstanding data prior to analyzing and testing all hypotheses.

Research Objectives

The main research objectives of this study is to examine the influence of survival vision, customer oriented culture and customer diversity increase on the strategic customer response capability.

Literature Review

The nature of the organization depends on the relationship between the internal framework and the external factors; on the one hand, the internal factor consists of the characteristics of every corporation, such as goals, size, expertise, capital, learning organizational ability, technology and a competitive strategy (Gordan & Miller, 1976; Anderson & Lanen, 1999; Baines & Langfield-Smith, 2003; Abdel-Kader & Luther, 2008). On the other hand, structural trends, such as competitive intensity and environmental and economic uncertainty, are part of the external factor (Gordan and Miller, 1976; Anderson & Lanen, 1999; Ensley, Pearce, & Hmieleski, 2006). The internal and external influences form not only the organizational structure, but also other organizational activities. For example, Fiedler (1964) argues that the acts of the company are based on internal and external circumstances. Hence, contingency theory suggests that the decision of the organization relies on the interaction of internal and external factors, such as marketing strategy (Shenhar, 2001). This theory can explain the relationship between internal factors, external factors and marketing strategies. Consequently, any decision on the use of strategic customer response capability as the main strategic orientation of the company to achieve marketing performance.

1. Strategic Customer Response Capability

Marketing strategy has many procedures that begin by scanning variables that can influence both internal and external enterprises in the company operation (Homburg, Christian, Sabine, & Harley, 2009). The marketing strategy can benefit the firm by generating profit as a result of the customer's realization of value

(Kotler & Armstrong, 2012). The literature to date provides a wide range of customer response capability definitions. One would expect to discover a higher response when the characterization of the chance is a symbol. Firms shall uphold a reasonable quality standard for their products and services to satisfy their consumers' requirements. (Ruekert, 1992). Responsiveness can be one of the skills needed to achieve competitive advantages for businesses (Bernardes & Hanna, 2009). The strong bond between a company and its customers has shown that customers have less tendency to quit their relationships, less uncertainty in relationships, and promote partners to cooperate (Morgan & Hunt, 1994). Additionally, Capacity includes the capacity to identify and demand customers, and the capacity to establish and develop suitable customer interactions (Hooley et al., 2005). Moreover, capability is the ability to achieve or deliver predefined results for an entity (Haimes, 2009). Breznik and Lahovnik (2016) explain that companies can reconfigure their resources and capabilities according to recognized opportunities and environmental changes can create and retain a competitive advantage. Likewise, the greater the organization's customer knowledge, the better the organization's potential to encourage and maximize the strategic value of the business (Kaur, Chahal, & Gupta, 2018).

The aim of a business firm is to impose a sequence of restrictions, which are more or less autonomous (Schwartz, 2009). The company's mission is characterized by the goal of sustaining its existence as business by means of growth and productivity (Pearce & Robinson, 2007). This article emphasizes on the survival vision as an important necessity to build capacity. Vision also clarifies some

ideals, articulates a feeling of purpose and underlines an organization's uniqueness. Vision also provides an objective that is very important for supporters and shares a viewpoint (Berson, Shamir, Avolio, & Popper, 2001). In addition, Kouzes and Posner (1987) defined The vision reflects the company's strategy and obviously expresses itself to its customers and stakeholders. Vision as "an ideal and unique image of the future." Moreover, Organizational culture is an organizational definition that is developed and communicated through a company's behavior and expectations (Beugelsdijk, Koen, & Noorderhaven, 2009; Jarratt & O'Neill, 2002). This creates organizational criteria and comportment to evaluate the customers, rivals and use of advertising data of an organization (Kumar, Jones, Venkatesan, & Leone, 2011). The design of an organizational plan and the operations based on customer response-oriented marketing, in which the organizations of businesses follow business norms (Carr & Lopez, 2007). Thus, the firm that focuses on a greater knowledge of market data such as customer requirements, competitive strength and weakness and developing a strategy to enhance its efficiency. Additionally, customer needs may change quickly in the present fashion and customer concern may be increase by the lack of clear standards for a new product in the market (Mu, Peng, & MacLachlan, 2009). Also, Eisenhardt and Martin (2000) suggest that the firm will develop products because of the high-velocity market as customer needs change. The firm responds rapidly to learn the relevant present knowledge. Thus, conscientious attention to the development and implementation of options in the company. Customer data also supports product and service creation, employee performance and

innovative thinking. Consequently, firms should rapidly develop products to offer and serve consumer needs.

The capacity to determine customer demands and requirements in conjunction with the capacity to establish and establish suitable relationships (Hooley et al., 2005). Moreover, A firm level enables a company to create new skills leading to a competitive advantage (Rodenbach & Brettel, 2012). In the context of customer-oriented strategy, the objective is to generate and capture value better than rivals by meeting the customer's requirements. In organizations, interest is created by the behavior of leaders of companies but is reported as customers pay at the point of purchase of goods or services (Bowman & Ambrosini, 2000). Firms can correctly anticipate market changes and react to new customer-oriented capacities (Foley & Fahy, 2009). Then, Strategy is seen as a deliberate move of a firm to make use of its distinctive resources and can achieve superior output for a company (Wernerfelt, 1984; Prahalad & Hamel, 1990; Lado, Boyd, Wright, & Kroll, 2006).

According to the discussion above, strategic customer response capability refers as the capability of a company to define customs-driven specific demands and to create a value chain for the response it needs through a vibrant environment shift, rather than create its producer and supplier's value chain including real-time data flow, superior logistics, distribution capacities, IT leverage and demand-driven company strategy. Next, the authors describe the antecedents of the strategic customer response capability.

2. Survival Vision

Survival Vision refers as a firm's need to preserve and extend the life of its competitive market position, driving the firm to be an

innovator, aimed continually at creating innovation (Pearce & Robinson, 2007). The view views organizational goals as a catalyst for the success of a company compared to its competitors (Hunt & Morgan, 1995). Sherwin (2010) study about global vision of executive impact of customer relationship marketing, the significant relationship between vision and customer relationship management. Deighton (1997) suggest that by gathering and disseminating customer information across the organization, the firm can understand and react to customer needs and will acquire the necessary expertise to enhance its products and services. Moreover, customers can see their emphasis business peers doing this and figure out if the focus organization plans to stay "top-down," which needs a strong response to customer requirements (Bell, Lai, & Li, 2012). Thus, the following is the hypothesis suggested:

H1: Survival Vision has a positive influence on Strategic Customer Response Capability.

3. Costumer Oriented Culture

Costumer Oriented Culture refers as firm to be awareness of shared assumptions, beliefs, ideas, and values which involve the behaviors and norms with the marketing function that can maintain customer values, stakeholders' interests, and profitability by creating market orientation-based activities (Carr & Lopez, 2007; Narver & Slater, 1990). Consequently, main business of a marketing inclusion company, which understands consumer behavior culture, customer attitudes, promotions and rivals in order to attain objectives (Engelen & Brettel, 2011). Then, the company is based primarily on helping market-oriented businesses to recognize and develop strategies that lead to the long-term productivity

generation, concentrating on superior customer requirements, strategic position and market trends. (Kumar et al., 2011). Thus, the following is the proposed hypothesis:

H2: Costumer Oriented Culture has a positive influence on Strategic Customer Response Capability.

The conceptual framework, which shown in Figure 1, is developed from the literature review and details are shown as follows:

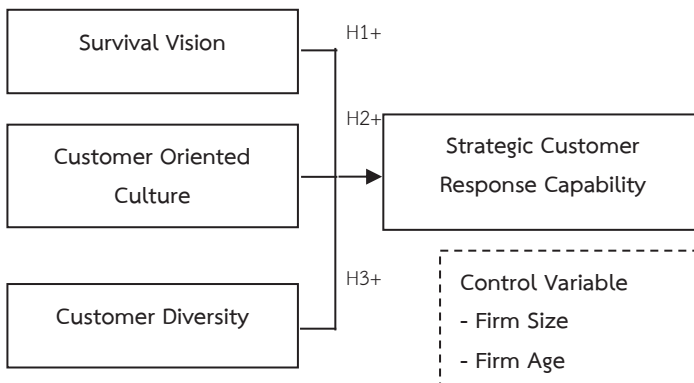


Figure 1. The Relationship Between Variables

4. Customer Diversity

Customer Diversity refers as customer behaviors that Change the consciousness of the company to learn the requirements of the customer according to the external context. Also, the firm will be conscious of the comments from customer on the products and their suggestions. Besides, most manufacturing companies are primarily centered on the consumer and use product design tools to meet personalized demands of consumers (Wang, Zhao, & Voss,

2016). Likewise, the firm is aware of developing the data base of customer information so they can perceive customer needs and respond on time. Nevertheless, the goal of the activities which the firm tools to the customer will increase stakeholder satisfaction (Zott, 2003; Cepada & Vera, 2007; Maklan & Knox, 2009). Moreover, Maklan and Knox (2009) refer the reason is the possible mediation between changing customer preference and dynamic marketing strategy as an executive policy. Thus, the following is the hypothesis suggested:

H3: Costumer Diversity has a positive influence on Strategic Customer Response Capability.

Research Methodology

1. Sample Selection and Data Collection Procedure

This study describes the population of the cosmetics company in Thailand as representatives of the Department of Business Development, marketing executives and marketing directors. From database online of the Department of Business Development, 1,050 cosmetic firms. The firms were listed and after remove duplicated address, 683 firm remains. From the earlier research, a suitable sample is 172 firm under the 95% confidentiality rule (Krejcie & Morgan, 1970). Furthermore, for a mail study, a response rate of 20 % is regarded sufficient without the relevant follow-up procedure (Aaker, Kumar, & Day, 2001). Thus, 683 cosmetic firms will use as the population in this study. Data are collected using the 683 mailed questionnaire survey. As a result, 172 mail was undelivered due to the changes of address and total of 167 questionnaires were returned. Five of 167 questionnaires are

removed caused by the incompleteness. Consequently, the response rate was approximately 23.72 percent. According to the rule of thumb of the minimum sample size, the minimum sample size should more than five observations per each variable (Hair, Black, Babin & Anderson, 2010). Consequently, for the multiple regression assessment of this research 162 cosmetic companies are sufficient to be used as samples.

2. Test of Non-Response Bias

A t-test comparison of the demographic between the early and late participants is performed in accordance with the non-response bias test by Armstrong and Overton (1977) in order to identify possible responsiveness issues between participants and non-participants. Then, Responses of the first mailing group are used to compare responses of the second mailing group based on demographic information including recorded capital, number of employees, operating periods and average revenues annually. This result provides that there was no statistically significant distinction at 95 % confidence level between early and late participants (Armstrong & Overton, 1977). In this study, non-response is not a major problem. It can be said with confidence.

3. Measurement

The measurement process involves the creation of multiple items in the conceptual model for the measurement of each construction. In fact, all constructions are abstractions which cannot or should not be evaluated immediately or observed by various items. The scales used in the research tool were based on the validity and reliability of each structure and the context of the constructions. These organizational measures are four stages in

development. Firstly, by defining a clarifying definition, the domain of the domain building must be defined. Then, the second is to produce a sample of study items such as literature review, study experience and stimulating examples of insight. Thirdly, the measure is purified for validity and reliability testing by an exploratory factor analysis (EFA). Thereby, these structures are converted to the actual measurement operational variables. All the variables taken from the study are evaluated by a Likert five-point scale varying from 1 (strongly disagree) to 5 (strongly agree) in order to assess each building in the concept model.

The study also includes firm size and firm age as control variables because they tend to influence the relationship of overall model. Then, firm size is defined as how big or small the company is and how many full-time workers in an organization have been assessed in the current year (Judge & Zeithaml, 1992). Moreover, firm age refers to number of years a firm has been in operation (Nurittamont & Ussahawanitchakit, 2008). Though the firm age is concerned, it may also affect the ability of firms to build and develop strategic organizational creativity, measured by the number of years of existence of a firm. (Nurittamont & Ussahawanitchakit, 2008).

4. Method

For the credibility and accuracy of the measures, for the pre-testing of the validity and reliability of all actions used in the questionnaire, the first thirty questionnaires sent from the informant were used. Moreover, the validity of newly established levels and scales, which are accepted from previous research, is tested using confirmatory factor analysis (CFA) and exploratory factor assessment

(EFA). The results indicate that factor loadings of all measures in this study varies from 0.463 to 0.993. These values are higher than 0.40 (Nunnally & Bernstein, 1994), which indicated acceptable validity of the structure. In addition, to assess reliability, Cronbach's alpha is used. The findings of Cronbach's alpha coefficients were between 0.921 and 0.983 which exceeds the acceptable 0.70 cut-off score (Hair, Black, Babin, & Anderson., 2010). The internal consistency of the entire scale can be found in this research (See Table 1).

Table 1

Results of Measure Validation

Variables	Factor Loadings	Cronbach's Alpha
Strategic Customer Response Capability (SCR)	0.463 - 0.843	0.921
Survival Vision (SVZ)	0.860 - 0.944	0.938
Customer Oriented Culture (COZ)	0.898 - 0.917	0.949
Customer Diversity (CDI)	0.934 - 0.993	0.983

Results and Discussion

The descriptive statistics and the correlation matrix between independent and dependent factors are presented in Table 2. Correlation coefficients of variables are ranging from 0.502 - 0.788 which lower than 0.80 and the VIF varies from 1.906 - 3.764 which lower than 10. There was no issue with multicollinearity in this research (Hair, Black, Babin, & Anderson., 2010).

Table 2
Descriptive Statistics and Correlation Matrix

Variables	SVZ	COZ	CDI	SCR	FSS	FAG
Mean	4.01	4.19	4.20	4.32	-	-
S.D.	0.68	0.62	0.66	0.42	-	-
SVZ	1					
COZ	.687**	1				
CDI	.502**	.788**	1			
SCR	.620**	.707**	.620**	1		
FSS	.079	.097	.099	.106	1	
FAG	-.008	.037	.110	-.002	.397**	1
VIF	1.906	3.764	2.662	-	-	-

Note: **p .05, ***p .01

Table 3 presents the results of OLS regression analysis of the influence of the on strategic customer response capability. The results indicate that survival vision is significantly and positively affect to strategic customer response capability ($\beta_1 = 0.264$, $p < 0.01$). This result consistent with Deighton (1997). By gathering and disseminating customer information throughout the organization, the company is able to understand and react to customer needs, and growing customer satisfaction will gains understanding to enhance its products and services. Additionally, the result, also consistent with Barnard (1947). Business survival has long been accepted as a crucial role of business performance. Then, the firms that will be remaining in business, although other firms terminated in business. One empirical study asserted that the potential of organization to survive by adjusting to the external world, by assessing, interpreting and reacting to consumer desires,

stakeholders and strategic directions, has a positive effect on the social media strategy (Chitmun, S., Ussahawanitchakit, P., & Boonlua, S., 2012). **Thus, Hypothesis 1 is supported.**

Secondly, this results in a significant and positive effect on customer oriented cultures on the strategic customer response capability ($\beta_2 = 0.365, p < 0.01$). Research showed that the company has designated the market culture as the principal marketing integration operation, which also aims at achieving objectives through its knowledge of consumer culture, consumer behavior, promotions and competitors (Engelen & Brettel, 2011). Moreover, previous research indicated that a market culture which relies heavily on superior customer knowledge, competitive strengths/weaknesses and market trends tends to allow a marked enterprise to create policies that are crucial to long-term performance development. (Kumar et al., 2011). Besides, organizational market culture is essential for connecting the connection between the growth and the corporate culture of new products and services, for collaboration through the growth of teams, training and reward supporting the innovation of products (Lau & Ngo, 2004). Thus, the organization has a culture of the market that is intended to improve its competitors' competitive benefit. In addition, in order to benefit the relation with leadership as well as to meet expectations of clients superior to their rivals the Company emphasizes on a continually exploring the requirements of customer and competitor analysis. (Beugelsdijk, Koen, & Noorderhaven, 2009). One empirical study asserted that a customer's willingness to press business tries to have a particular positive effect on service innovation

capability (Sakkasem, Ussahawanitchakit, & Nantana, 2001).
Thus, Hypothesis 2 is supported.

Table 3
The Results of the Regression Analysis of the influence of the antecedents on Strategic Customer Response Capability

Independent variables		Dependent variables
		SCR
		Equation1
SVZ	(H1)	0.264*** (0.074)
COZ	(H2)	0.365*** (0.104)
CDI	(H3)	0.200** (0.088)
FSS		0.149 (0.168)
FAG		-0.111 (0.118)
Adjusted R ²		0.538
Maximum VIF		3.764

Thirdly, the findings from this study describe customer diversity is significantly and positively affect strategic customer response capability ($\beta_3 = 0.200, p < 0.05$). The previous research indicated that Eisenhardt and Martin (2000). Firms will develop products because of a high-velocity market as customer needs change. Firms responded quickly to learn the relevant existing knowledge. Therefore, firms focus on developing alternatives and

implementing resources in the firm. Moreover, firms create product differences businesses with project customer relationship management perceive customer needs and customer comments of the products such as changing customer preference which has a positive effect on marketing learning focus. One empirical study asserted that the ability of a company to collect, understand, analyze and use information on a spectrum of customer needs for planning and developing a marketing strategy that creates superior customer value and fulfills a variety of customer needs has a positive effect on the marketing positioning advantage (Tungbunyasiri, Supachai, & Ussahawanitchakit, 2013). **Thus, Hypothesis 3 is supported.**

Additionally, the results of control variables indicate that firm size and firm age are not significantly associated with strategic customer response capability. These results can be interpreted that strategic customer response capability is not influenced by the size of a firm. Moreover, strategic customer response capability also not influenced by ages of a firm.

Conclusion

This study demonstrates the influences of the antecedents (survival vision, customer oriented culture, customer diversity) on strategic customer response capability. Cosmetic businesses used as the source of data and collect data from mailed survey questionnaires which directly distributed to marketing executives. At last, 162 questionnaires are usable.

The results of this study indicate that three antecedents include survival vision, customer oriented culture and customer diversity influences on strategic customer response capability. Thus,

top management team and executives must pay attention to activities and capability that support firms to the successful of strategic customer response capability such as the top management and executives should stimulate and build the radical changes in the behaviors of the followers by changing the marketing strategies, customer oriented culture and survival vision. These changes will make firm sense and react with new marketing possibilities and renovate firm's marketing activities to suitable with new marketing possibilities and lead firm to achieve competitive advantage and higher performance. Moreover, customer oriented culture has the highest influence on the strategic customer response capability. Thus, marketing executives should realize to attend with this factor when adopts the strategic customer response capability.

Future Research Direction

This study has still many gaps as acknowledged as a consequence of the analysis that has been conducted by only cosmetic businesses in Thailand. Henceforward, future research might study with other business which have different characteristics and business type such as startup companies for comparing the results with this study; and simultaneously increasing credibility and generalizability.

References

- Aaker, D. A., Kumar, V., & Day, G. S. (2001). *Marketing research*. New York: John Wiley and Sons.
- Abdel-Kader, M., & Luther, R. (2008). The impact of firm characteristics on management accounting practices: A UK-based empirical analysis. *The British Accounting Review*, 40(1), 2-27.

- Anderson, S. W., & Lanen, W. N. (1999). Economic transition, strategy and the evolution of management accounting practices: the case of India, *Accounting, Organizations and Society*, 24(5-6), 379-412.
- Armstrong, J. S., & Overton, T. S. (1977). Estimating nonresponse bias in mail surveys. *Journal of Marketing Research*, 14(3), 396-402.
- Baines, Annette, & Langfield-Smith, Kim. (2003). Antecedents to management accounting change: a structural equation approach. *Accounting, Organizations and Society*, 28(7-8), 675-698.
- Barnard, C. I. (1947). *The functions of the Executive*. Cambridge, MA: Harvard University Press.
- Bell, G. G., Lai, F., & Li, D. (2012). Firm orientation, community of practice, and Internet-enabled interfirm communication: Evidence from Chinese firms. *The Journal of Strategic Information Systems*, 21(3), 201-215.
- Bernardes, E., & Hanna, M. (2009). A Theoretical Review of Flexibility, Agility and Responsiveness in the Operations Management Literature. *International Journal of Operations & Production Management*, 29(1), 30-53.
- Berry, L. L. (1983). Relationship marketing. In *Emerging Perspectives in Service Marketing*. Chicago: American Marketing Association.
- Berson, Y., Shamir, B., Avolio, J. B., & Popper, M. (2001). The relationship between vision strength, leadership style, and context. *The Leadership Quarterly*, 12(1), 53-73.
- Beugelsdijk, S., Koen, C., & Noorderhaven, N. (2009). A dynamic approach to the impact of differences in organizational

- culture on relationship performance. *Industrial Marketing Management*, 38(3), 312-323.
- Bowman, C., & Ambrosini, V. (2000). Value creation versus value capture: towards a coherent definition of value in strategy. *British Journal of Management* 2, 11(1), 1-15.
- Breznik, L., & Lahovnik, M. (2016). Dynamic capabilities and competitive advantage: Findings from case studies. *Management: Journal of Contemporary Management Issues*, 21(special), 167-185.
- Carr, J. C., & Lopez, T. B. (2007). Examining market orientation as both culture and conduct: Modeling the relationship between market orientation and employee responses. *Journal of Marketing Theory and Practice*, 15(2), 113-123.
- Chitmun, S., Ussahawanitchakit, P., & Boonlua, S. (2012). Best modern managerial accounting practice of corporate governance awarded firms in Thailand: An empirical investigation of the antecedents and consequences. *Journal of Academy of Business and Economics*, 12(5), 125-152.
- Davenport, T., Harris, J., & Kohli, A. (2001). How do they know their customers so well, *Sloan Management Review*, 42(2), 63-73.
- Day, G. S. (1994). The capabilities of market-driven organizations. *Journal of Marketing*, 58(4), 37-52.
- Deighton, J. (1997). Commentary on exploring the implications of marketing on the internet. *Journal of the Academy of Marketing Science*, 25(Fall), 347-351.
- Dutton, J. E. (1993). The making of opportunity: an interpretative pathway to organizational change. *Research in*

- Organizational Behavior*, 15(Greenwich, Conn: JAI Press), 195-226.
- Eisenhardt, K. M., & J. A. Martin. (2000). Dynamic capabilities: What are they?. *Strategy Management Journal*, 21(10-11), 1105-1121.
- Engelen, A., & Brettel, M. (2011). A cross-cultural perspective of marketing departments' influence tactics. *Journal of International Marketing*, 19(2), 73-94.
- Ensley, M. D., Pearce, C. L., & Hmieleski, K. M. (2006). Environmental dynamism: A moderator of the entrepreneur leadership behavior—new venture performance linkage. *Journal of Business Venturing*, 21(2), 243-263.
- Fiedler, F. E., & Garcia, J. E. (1987). *New approaches to effective leadership*. New York: John Wiley & Sons.
- Filstad, C., & Gottschalk, P. (2010). Creating a learning organization in law enforcement: Maturity levels for police oversight agencies. *The Learning Organization*, 17(5), 404-418.
- Foley, A., & Fahy, J. (2009). Seeing market orientation through a capabilities lens. *Journal of Marketing*, 43(1/2), 13-20.
- Grönoos, C. (1994). From marketing mix to relationship marketing: Towards a paradigm shift in marketing. *Management Decision*, 32(2), 4-20.
- Gummesson, E. (1994). Making relationship marketing operational. *International Journal of Service Industry Management*, 5(5), 5-20.
- Haimes, Y. Y. (2009). *Risk modelling, assessment, and management*. (3rd). A John Wiley & Sons.

- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). Multivariate data analysis: A global perspective. *Upper Saddle River, NJ: Pearson.*
- Hawkins, D., & Mothersbaugh, D. (2007). *Consumer behavior: Building marketing strategy.* (10thed.). Boston: McGraw-Hill/Irwin.
- Homburg, C., Krohmer, H., & Workman, J.P. (2004). A strategy implementation perspective of market orientation. *Journal of Business Research, 57*(12), 1331-1340.
- Homburg, Christian, Sabine, K., & Harley, K. (2009). *Marketing Management: A Contemporary Perspective.* (1sted.). London.
- Hooley, G. J., Greenley, G. E., Cadogan, J. W., & Fahy, J. (2005). The performance impact of marketing resources. *Journal of Business Research, 58*(1), 18-27.
- Hunt, S. D., & Morgan, R. M. (1995). The comparative advantage theory of competition. *Journal of Marketing, 59*(2), 1-15.
- Jarratt, D., & O'Neil, G. (2002). The effect of organizational culture on business-to-business relationship management practice and performance. *Australian Marketing Journal, 10*(3), 21-40.
- Judge, W., & Zeithaml, C. (1992). Institutional and Strategic Choice Perspectives on Board Involvement in the Strategic Decision Process. *The Academy of Management Journal, 35*(4), 766-794.
- Kaur, J., Chahal, H., & Gupta, M. (2019). Re-investigating Market Orientation and Environmental Turbulence in Marketing Capability and Business Performance Linkage: A Structural Approach. In: Chahal H., Jyoti J., Wirtz J. (eds)

Understanding the Role of Business Analytics. Springer, Singapore.

Kotler, P., & Armstrong, G. (2012). *Principles of marketing Upper Saddle River.* New York: NJ: Pearson Prentice Hall.

Kouzes, J. M., & Posner, B. Z. (1987). *The Leadership Challenge: How to get Extraordinary Things done in Organizations.* San Francisco: Jersey-Bass.

Krejcie, R. V., & Morgan, D. W. (1970). Determining sample size for research activities. *Psychological Measurement*, 30(3), 607-610.

Kumar, V., Jones, E., Venkatesan, R., & Leone, R.P. (2011). Is market orientation a source of sustainable competitive advantage or simply the cost of competing. *Journal of Marketing*, 75(1), 16-30.

Lado, A. A., Boyd, N. G., Wright, P., & Kroll, M. (2006). Paradox and theorizing within the resource-based view. *Academy of Management Review*, 31(1), 115-131.

Lau, C., & Ngo, H. (2004). The HR system, organizational culture, and product innovation. *International Business Review*, 13(6), 685-703.

Maklan, S., & S. Knox. (2009). Dynamic capabilities: the missing link in CRM Investments. *European Journal of Marketing*, 43(11-12), 1392-1410.

Morgan, R. M., & Hunt, S. D. (1994). The commitment-trust theory of relationship marketing. *Journal of Marketing*, 58(3), 20-38.

Mu, J., Peng G., & MacLachlan D. L. (2009). Effect of risk management strategy on NPD Performance. *Technovation*, 29(3), 170-180.

- Narver, J. C., & Slater, S. F. (1990). The effect of a market orientation on business profitability. *Journal of Marketing*, 54(4), 20-35.
- Nunnally, J. C., & Bernstein, I. H. (1994). The Assessment of Reliability. *Psychometric Theory*, 3(1), 248-292.
- Nurittamont, W., & Ussahawanitchakit. P. (2008). The Influences of Brand Equity in Competitive Advantage and Performance of SPA Business in Thailand. *International Journal of Business Strategy*, 8(2), 14-25.
- Pearce, J. A., & Robinson Jr, R. B. (2007). *Strategic management: Formulation, implementation, and control*. New York: McGraw-Hill.
- Piller, F. T., & Müller M. (2004). A New Marketing Approach to Mass customization. *International Journal of Computer Integrated Manufacturing*, 17(7), 583-593.
- Prahalad, C. K., & Hamel, G. (1990). The core competence of the corporation. *Harvard Business Review*, 68(3), 79-87.
- Rodenbach, M., & Brettel, M. (2012). CEO experience as micro-level origin of dynamic capabilities. *Management Decision*, 50(4), 611-634.
- Ruekert, R. W. (1992). Developing a market orientation: an organizational strategy perspective. *International Journal of Marketing*, 9(3), 225-45.
- Sakkasem, P., Ussahawanitchakit, P. & Nantana, O. (2001). Service Innovation Capability of Tour Operator Businesses in Thailand, *The American Academy of Business Journal*, 21(1), 92-104.

- Schwartz, M. (2009). Beyond incubation: an analysis of firm survival and exit dynamics in the post-graduation period. *Journal of Technology Transfer*, 34(4), 403-421.
- Shenhar, A. J. (2001). One size does not fit all projects: Exploring classical contingency domains. *Management Science*, 47(3), 394-414.
- Sherwin, N. D. (2010). The global impact of customer relationship marketing. *Journal of Global Business Issues*, 4(2), 65-75.
- Sigala, M. (2006). Mass Customization Implementation Models and Customer Value in Mobile Phones Services: Preliminary Findings from Greece. Managing Service Quality. *An International Journal*, 16(4), 395-420.
- Tungbunyasiri, S. & Ussahawanitchakit, P. (2013). Strategic marketing flexibility and marketing performance: An empirical investigation of beverage businesses in Thailand. *International Journal of Business Research*, 13(3), 45-62.
- Tuominen, M., Rajala, A., & Möller, K. (2004). Market-driving versus market-driven: Divergent roles of market orientation in business relationships. *Industrial Marketing Management*, 33(3), 207-217.
- Ussahawanitchakit, P. (2011). Organizational Innovation of Electronics Businesses in Thailand: How Does It Affect Firm Performance?. *International Journal of Business Strategy*, 11(1), 130-137.
- Walsh, S. (2007). Establishing and Developing Alliances as a Key to Success in an Ever More Complex Marketing Environment. *Philadelphia, PA: Association of Marketing Educators*, 45(1), 25-44.

- Wang, Q., Zhao, X., & Voss, C. (2016). Customer orientation and innovation: A comparative study of manufacturing and service firms. *International Journal of Production Economics*, 171(2), 221-230.
- Wernerfelt, B. (1984). A resource-based view of the firm. *Strategic Management Journal*, 5(2), 171-180.
- Zott, C. (2003). Dynamic capabilities and the emergence of intra industry differential firm performance: insights from a simulation study. *Strategic Management Journal*, 24(2), 97-125.