

# Presenting the local model of increasing the market share in Iran's dairy industry with a qualitative approach

Leila Taheri , Farzad Asayesh , Alireza Rosta 

Department of Business Management, Shahr-e- Qods Branch, Islamic Azad University, Tehran, Iran

**Receive:**

14 May 2023

**Revise:**

13 September 2023

**Accept:**

25 September 2023

**Keywords:**

Market share,  
advertising,  
sales promotion,  
brand equity,  
Iranian dairy industry

**Abstract**

Market share is a part of the total market that a company allocates to itself and prepares, adjusts and implements its marketing plans in order to meet its needs. This study was conducted to develop a local model of increasing market share in Iranian dairy industries with a qualitative approach. The current research is considered to be applicable in terms of its purpose, and exploratory qualitative in terms of code collection method. The target population includes 12 experts, including professors of Islamic Azad University in marketing fields, including marketing managers in dairy companies who are familiar with market share issues. Sampling was done with the purposeful method until theoretical saturation was reached in the interviews. The main tool of data collection in the field section includes semi-structured interviews. Data-based theory approach by means of MAXQDA.20 software was used to analyze qualitative data and provide a paradigm model. Based on the results of the qualitative analysis, 22 categories and 78 indicators were identified in the form of six main categories including causal conditions (internal marketing, product life cycle management, market attractiveness, marketing mix, competitive strategy and planning and targeting), background factors (characteristics of customers, competitive environment and market turbulence), central phenomenon (market share development strategy), strategies and measures (market share management, sales promotion, advertising, competition, special brand value and market segmentation), intervening factors (management risk and sustainable competitive advantage) and consequences (stabilization of brand position, profitability, bargaining power and increase in market share). As a result, the paradigmatic model of the native pattern of increasing the market share in Iran's dairy industries has been fully drawn with a qualitative approach according to six conditions (contextual, causal, intervening, central phenomenon, strategies and actions, and consequences).

**Please cite this article as (APA):** Abedini, M., Mohammadalipour, N., Shahmansouri, A., & Rabiei, M. (2024). Possible scenarios of sustainable supply chain in dairy industry with future research approach. *Journal of value creating in Business Management*, 4(2), 302-322.



<https://doi.org/10.22034/jvcbm.2023.402286.1117>

**Publisher:** Iranian Business Management Association

**Creative Commons:** CC BY 4.0



**Corresponding Author:** Farzad Asayesh

**Email:** farzadasayesh9@gmail.com

## Extended Abstract

### Introduction

Today, the food industry is one of the most important and broadest active industries in the global economy. The growing population, the diversification of consumer tastes, the increasing importance of the health of food products, healthy nutrition as a factor in preventing the occurrence of many diseases, the prominence of the role of food from the economic, health, etc. aspects all show the significant role of nutrition and food industry in today human life (Khakbeez, Rezaei & Azizi, 2021). Milk and its products are of special importance in human life due to their extraordinary nutritional value, and they always provide part of the body's needs in the human food pyramid, including protein and some vitamins and especially calcium, but they do not have substitute products; therefore, in terms of examining alternative goods, the circle of investigation should be limited to all types of dairy products (Mousavinejad & Khoramnia, 2021). In recent years, an increasing number of experts and business theorists assume that one of the ways to increase the efficiency of a company is to increase the market share, but not paying attention to the factors of increasing the market share can sometimes cause trouble as well as less profit for a company and also will undoubtedly follow more risks (Rajani et al, 2023). The importance of this issue is not only in maintaining the company's current market share; after all, as the industry grows, a company's market share must also increase to remain competitive and profitable. An increase in market share requires obtaining a larger share than before, and this indicates that the company's growth is more than average and that they have performed better than their competitors. Market share and brand influence are important to understand as part of the larger puzzle of brand growth and diversification. The more you know about the current market position – strengths and weaknesses, competitors and potential opportunities, the more clearly you can prioritize brand growth strategies and reduce the inherent risk of new investments (Mohsen et al, 2021). The issue of market share and the factors affecting it is a very broad category that cannot be created by presenting a simple model and including a limited number of variables. Therefore, it is necessary to use exploratory methods to identify the maximum number of factors involved in the market share; in fact, the main innovation of the present research is also in this matter, which presents a comprehensive model of factors affecting the increase of market share with a qualitative approach. On the other hand, by reviewing the literature, it is clear that not much research has been done on the market share in the dairy industry, which indicates a major research gap. In fact, by reviewing the available literature, it is clear that so far, not much research has been done to provide a model for increasing market share, both inside and outside the country. Therefore, using a qualitative approach, a completely new model can be achieved in this field. In fact, this research can be considered as a complement to previous researches and an attempt to solve some research gaps. Based on the mentioned material, the researcher is looking for the question: what is the local model of increasing the market share in the country's dairy industry?

### Theoretical framework

Economy and industrial organization is one of the trends of economics that examines the mutual behavior of producers with each other, producers with consumers and consumers with each other, and the study of the elements of the structure, behavior and performance of markets is the most important subject of industrial economics, and the quality of relationship of these elements to each other, the direction of their cause, and the factors affecting each of these elements have been the subject of numerous studies in this branch of economics. Market share is one of the structural variables to measure the intensity of competition between producers, which is affected by functional and behavioral factors in the literature of industrial

economics. How these factors affect market share in the form of structure, behavior and performance patterns has always been a subject of disagreement among industrial economists, so that the economists of the school of structuralism consider the direction of causality from structure to function; while behaviorists and economists of the Chicago school consider the direction of causality from performance to behavior and structure (Abzari, Safari Shad, Abedi Sharbiani & Porveshi Murad, 2019). Usually, popular metrics for measuring marketing success, such as market share, are not well understood and used inappropriately. Market share is a very popular metric. In a survey of senior marketing managers, 67% consider market share based on net dollars a very useful measure, and 91% consider market share evaluation based on units sold useful. The explanation of why managers consider market share as a valuable criterion is rooted in an old research that was conducted in the 1970s and it points to the existence of a significant relationship between market share and return on investment. However, this relationship may not be as clear as customers' expectations (Lee, 2019). Studies indicate that this relationship is often correlative rather than causal (Yousefi, Mehralian, Rasekh & Tayeba, 2019).

### **Research methodology**

This research is fundamental in terms of its purpose, and descriptive exploratory in terms of nature. Because the database method and the paradigm model of Strauss & Corbin (1998) are of high comprehensiveness to include various components involved in a phenomenon; in this research, this approach has been used to provide a model for increasing market share in the dairy industry. The tool for collecting codes, indicators and components includes a semi-structured interview. The target population of this research includes professors of Islamic Azad University and several university units in marketing fields, including marketing managers in dairy companies who are familiar with market share issues. To determine the samples of this research and to determine this group of experts, the purposeful sampling method was used. After conducting 12 interviews, theoretical saturation was achieved. The implementation process of the current research was such that after studying the research literature and getting familiar with the subject, questions were formulated in the form of a semi-structured interview and given to the experts (participants in this research). Based on the answers given by the experts, coding was done in three consecutive stages, including open, central and selective coding, and thus the research paradigm model based on the database theory was obtained.

### **Research findings**

Data integration is very important in grounded theory. In the research process, after collecting data, analyzing and interpreting them; it is time to present the model, conclusion and summary of the research. In the first step, by examining the current situation, the obtained data are classified into 6 main categories. Based on the opinion of professors and experts, 22 categories and 78 indicators from all the indicators obtained from the qualitative analysis of the interview database have been used to present the local model of increasing the market share in Iran's dairy industry.

### **Conclusion**

Based on the results of the secondary coding of the research, internal marketing indicators, product life cycle management, market attractiveness, marketing mix, competitive strategy and planning and targeting were selected as the categories of causal conditions in compiling the market share increase in Iranian dairy industries. The result obtained in relation to causal conditions implies the fact that internal marketing is used to improve performance and

increase the quality of products and services, improve the behavior and performance of personnel, develop organizational culture, and ultimately improve customer satisfaction. Every product has a specific life cycle that includes different stages such as design, development, production, marketing and sales. The indicators of product analysis, market analysis, competition analysis and environmental analysis were selected as the central categories in compiling the market share increase in Iran's dairy industries. The indicators of market share management, sales promotion, advertising, competition, special brand value and market division were selected as strategic categories in compiling the market share increase in Iran's dairy industry. The indicators of customer characteristics, competitive environment and market turbulence were selected as the categories of background conditions in compiling the increase of market share in Iranian dairy industry. The indicators of risk management and sustainable competitive advantage were chosen as the categories of intervening conditions in the formulation of increasing the market share in the dairy industry of Iran. The indicators of brand positioning, profitability, bargaining power, and market share increase were selected as outcomes in compiling the market share increase in Iran's dairy industry.