

Key Capabilities for Success in the Marketing Performance of Small and Medium-Sized Enterprises (SMEs)

Sara Mirza Aboalhassan khan Ilchi , Masoumeh Hosseinzadeh Shahri , Manijeh Haghghinasab 

Department of Management, Faculty of Social Sciences and Economics, Alzahra University, Tehran, Iran


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Abstract

The aim of the present study is to identify and prioritize key capabilities that affect marketing performance in small and medium-sized businesses. In the qualitative part, this study examined 5222 initial articles using a meta-synthesis and systematic review of research literature published between 2019 and 2025, and after staged qualitative and content screening, 42 eligible articles were selected for analysis. By analyzing the content of the selected articles in MAXQDA software, 224 initial codes were finally categorized into 8 final categories. In the quantitative part, in order to prioritize these capabilities, the analytic hierarchy process was used with the opinions of 10 industry experts, and the reliability of the results was confirmed with a discrepancy rate of less than 0.1. The results show that the most important final categories include integrating customer relationships and the effectiveness of marketing strategies, innovation and networking for sustainable competitive advantage, agile adaptation to market-driven innovation, data-driven digital transformation, developing digital support ecosystems, low-cost entrepreneurial marketing, and green marketing strategies. From the experts' perspective, the three capabilities of "effective implementation of the marketing plan", "product innovation", and "multi-channel marketing" are of the greatest importance in improving the marketing performance of small and medium-sized businesses. It is suggested that managers of these businesses improve their marketing performance by developing documented marketing plans, developing product innovation based on customer interaction and integrating presence in online and offline channels.

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Corresponding Author: Masoumeh Hosseinzadeh Shahri

Email: mhshahri@alzahra.ac.ir

Extended Abstract

Introduction

In today's world, small and medium-sized businesses are known as the engines driving innovation, economic growth, and employment; but in the face of challenges such as resource constraints, lack of expertise and digital transformations, their marketing performance is increasingly under pressure (D'Angelo & Presutti, 2019; karamipour meysam, 2023). Marketing performance in these firms depends on their ability to achieve marketing objectives such as increasing sales, growing market share, and promoting customer loyalty. Numerous studies have shown that developing marketing capabilities, including internal and operational capabilities such as effective resource utilization, implementing innovative strategies, and promoting brand, play a decisive role in improving marketing performance (Adesoga & James, 2019). Factors such as product innovation, service differentiation, and the use of digital tools including social media and data analytics have been identified in the literature as key drivers of competitiveness enhancement (Al Koliby et al., 2024; Khan et al., 2019). However, small and medium-sized businesses have faced challenges in effectively utilizing these digital capabilities. Previous studies have mainly examined topics such as marketing performance and marketing capabilities in the context of specific industries or large organizations, and less has been done on the structured and prioritized analysis of these capabilities in the context of SMEs. (Agusdin et al., 2023; Hendar et al., 2020) Therefore, the present study first extracted marketing capabilities in the research literature using the meta-synthesis method; then these factors were prioritized from the perspective of industry experts using analytical hierarchy process. Therefore, the study seeks to answer its main question, "Which of the marketing capabilities, based on the evidence of past studies, has the greatest impact on improving the marketing performance of SMEs and what is their priority according to industry experts?" The answer to this question can lead to the development of a theoretical framework to guide managers' decisions in allocating limited resources and increasing the effectiveness of marketing strategies in small and medium-sized businesses.

Theoretical Framework

Marketing Performance in Small and Medium-sized Enterprises (SMEs)

Marketing performance, as a key indicator for evaluating business success, indicates the extent to which a business achieves its marketing goals through metrics such as sales growth, market share, customer loyalty, and profitability. This performance is influenced by factors such as customer satisfaction, brand awareness, click-through rate, conversion rate, and social interaction. In domestic and foreign research, marketing performance has been measured quantitatively through financial indicators and qualitatively through customer perception. (Darmanto et al., 2022; Habib et al., 2021; Mamontova et al., 2024). Domestic studies have also shown that factors such as brand management, innovation, social media, and cultural adaptation of products play a key role in improving the marketing performance of SMEs in Iran (Ahmadi-Esfahani, 2024; Safari et al., 2018; Omid & Moghimian, 2024).

Marketing Capabilities in Small and Medium-Sized Businesses

Marketing capabilities refer to the internal and operational capabilities of an organization in effectively utilizing resources, knowledge, and new technologies to create competitive advantage. These capabilities have been examined in the literature using the RBV theories, dynamic capabilities, relational capital, and the TOE framework (Teece, 2023; Farida et al., 2024; Salah & Ayyash, 2024). A review of studies shows that capabilities such as product innovation, digital marketing, market orientation, customer relationship management, and marketing intelligence play a key role in the success of SMEs (Rezvani & Fathollahzadeh,

2020; Wibawa et al., 2022). At the operational level, the development of intelligent marketing systems, information technology integration, and market sensing are considered to be the most important capabilities (Wirawan et al., 2021; Mulyana et al., 2024). In this regard, Hooley's (1999) three-layer model has also been used as a structured framework for classifying marketing capabilities at three levels of marketing culture, marketing strategy, and marketing operations (Hooley, 1999). This research attempts to redefine this classification by using the meta-synthesis and analytic hierarchy process method and provide a comprehensive and prioritized framework for improving marketing performance in SMEs.

Research Methodology

In the qualitative section, the meta-synthesis method was used as a systematic method to analyze previous studies. Data were extracted from 5222 articles indexed in reputable databases between 2019 and 2025. By applying the inclusion and exclusion criteria, 43 selected articles were analyzed using MAXQDA software and 224 conceptual codes were classified into 8 main categories. In the quantitative and analytical hierarchy process (AHP) section, data were collected through a paired comparison questionnaire from the perspectives of 10 experts in the field of marketing and SMEs. Data analysis was performed with Excel software, and a discrepancy rate index of less than 0.1 indicated the validity of the responses.

Research findings

Customer relationship integration and strategic marketing effectiveness, agile adaptation and market-oriented innovation in SMEs, sustainable competitive advantage through innovation and networking, data-driven digital transformation for smart marketing, supporting ecosystem and digital empowerment, cultural brand positioning in niche markets, entrepreneurial marketing with an agile and low-cost approach, and green marketing strategies for competitive sustainability are among the categories obtained. In the quantitative and hierarchical analysis section, data was collected through a paired comparison questionnaire from the perspectives of 10 experts in the field of marketing and SMEs. Data analysis was performed with Excel software and a discrepancy rate index of less than 0.1 indicated the validity of the responses. The most important categories according to the experts were respectively: implementation of the marketing plan (0.451), product innovation (0.233), multi-channel marketing (0.162), strategic collaboration (0.061), and aggressive sales (0.049).

Conclusion

This study aimed to identify marketing capabilities that have an impact on improving the marketing performance of SMEs and prioritize them according to industry experts. Based on the results, it was determined that “implementation of the marketing plan” has the greatest impact on improving marketing performance; because it is aligned with components such as “customer relationship integration”, “data-driven digital transformation”, and “agile entrepreneurial marketing” in previous research (Mishra et al., 2024; Salah & Ayyash, 2024; Sutanto et al., 2024). This capability, playing a key role in operationalizing strategies, is doubly important, especially in resource-constrained conditions in SMEs (Hendar et al., 2020; Rezvani & Fathollahzadeh, 2020; Shaferi et al., 2024). Also, “product innovation”, which is linked to components such as “agile adaptability”, “sustainable competitive advantage”, and “entrepreneurial marketing”, was identified as the second priority. This finding is consistent with previous studies that emphasize that innovation in SMEs should be fast, market-oriented, and low-risk (Afriyie et al., 2020; Khasanah & Sukresna, 2023; Wirawan et al., 2021). “Multichannel marketing” has also been proposed as a third capability, alongside “cultural brand positioning” and “digital transformation” (Agusdin et al., 2023; Hendar et al., 2020;

Nuryakin & Maryati, 2022; Shaferi et al., 2024). This capability helps maintain customer loyalty and enhance customer experience through message consistency across different digital and traditional channels.

For future research, it is suggested to follow three paths: (1) empirically testing the proposed model with quantitative methods such as structural equation modeling, (2) comparative analysis of marketing capabilities across industries or countries to explore cultural and structural differences, and (3) developing standardized metrics to measure these capabilities in practice.