



## Validating Marketing Strategy Measures for a Globalized Developing Country

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### Abstract

Due to economic globalization, business leaders are expected to monitor changes in the market, while also aligning their strategy to the realities of the context in which their businesses operate. Marketing strategy effectiveness depends on strategy implementation, and thus developing an effective strategy is paramount. Although Porter's 5-Forces model has been tried and tested, its appropriateness in a developing environment is not fully conclusive. On the basis of the theory, certain other variables have been identified which warrant investigation, namely, market strategy standardization, marketing strategy co-ordination, technology, and government policies. In order to determine whether these variables will impact the sustainability of a globalized industry in a developing economy, the items which comprise these variables need to be assessed to confirm its validity and reliability. In light of the above, this paper reports on research conducted to develop and empirically evaluate research instruments to measure the impact of specific competitive marketing strategies among a sample of stakeholders from the clothing and textile sector in Zimbabwe. More specifically, the following instruments, namely, market strategy standardization, marketing strategy co-ordination, technology, and government policies, were developed and their reliability and validity confirmed.

**Keywords:** Structural equation modeling, Research instrument, Marketing strategies, Globalization, Developing environment, Competitive strategy.

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## 1. Introduction

The key characteristic of globalization is its quest to ignore physical boundaries which exist across nations and in the process re-demarcating the socio-economic and political boundaries thus, affecting the way trade and commerce is conducted. While many countries are benefiting by riding on the globalization wave, others are losing, most notably some developing countries. As a result, the effect of globalization on trade and commerce in developing countries has particularly drawn much interest and debate from many scholars and researchers (Hemmatfar *et al.*, 2010). The International Monetary Fund (2010) as cited by Baffour and Amal (2011) asserts that many of these debates have regrettably generally focused on critiquing globalization in terms of whether it presents opportunities or threats to developing countries, without taking the debate further to research and suggest potential survival strategies which can be used by companies particularly in developing countries.

Powell (2015) notes that depending on inter-alia, the strength of different countries' political and economic institutions, globalization presents numerous opportunities. The aforementioned depends on the development of effective competitive marketing strategies, since marketing strategy's primary objective is to create a competitive company which is better positioned to deploy resources at its disposal more effectively and efficiently (Aaker, 2012). One of the oldest models in the field of marketing strategy, namely, Porter (1985) commands companies to utilize their "competitive advantages" of cost leadership, focus and differentiation in order to out-compete their rivals. Other researchers (Walker and Mullins, 2011) argues that "firms should pursue competitive advantages through synergy and a well-integrated program of marketing mix elements."

Several streams of marketing strategy literature also suggest that firms need to keep on acquiring specialized resources which are critical in defining their competitive positions (Hansen *et al.*, 2013). "These specialized combinations of capabilities and assets create competences which lead to organizational competitiveness" (Madhavaram and Hunt, 2008). "To survive the impact of the globalization of markets and maintain their current status, the clothing and textile industry around the world needs to be aware of changes in the market place and respond by implementing innovative strategies that improve their competitive status" (Kohnert, 2010).

Marketing strategy denotes how well blended a firm's marketing mix elements are in relation to the target market served, and the extent to which these elements are coordinated affect the firm's performance (Mintzberg and Lampel, 2012). Marketing strategy development is thus such a complex exercise composed of processes, routines and activities as marketing plans are designed and executed in order to achieve organizational objectives (Baker, 2014). It requires a great deal of innovation (Baker, 2014) however, "such innovations are rare and valuable capabilities" (Eisenhardt and Martin, 2000) which may take various forms ranging from the creation of unique marketing strategies or novel products and services (Varadarajan, 2010).

It seems evident from the above, that there is need to develop better models to manage competitiveness in a global context, especially in developing environments. Developing management models entails identifying variables that impact competition, and more importantly the items (questions) by which these variables can be measured, and the validating the questionnaire. Thus, this study on which the paper is written, attempted to develop and validate research instruments to measure variables which the literature argues impact business sustainability in a globalized developing country context.

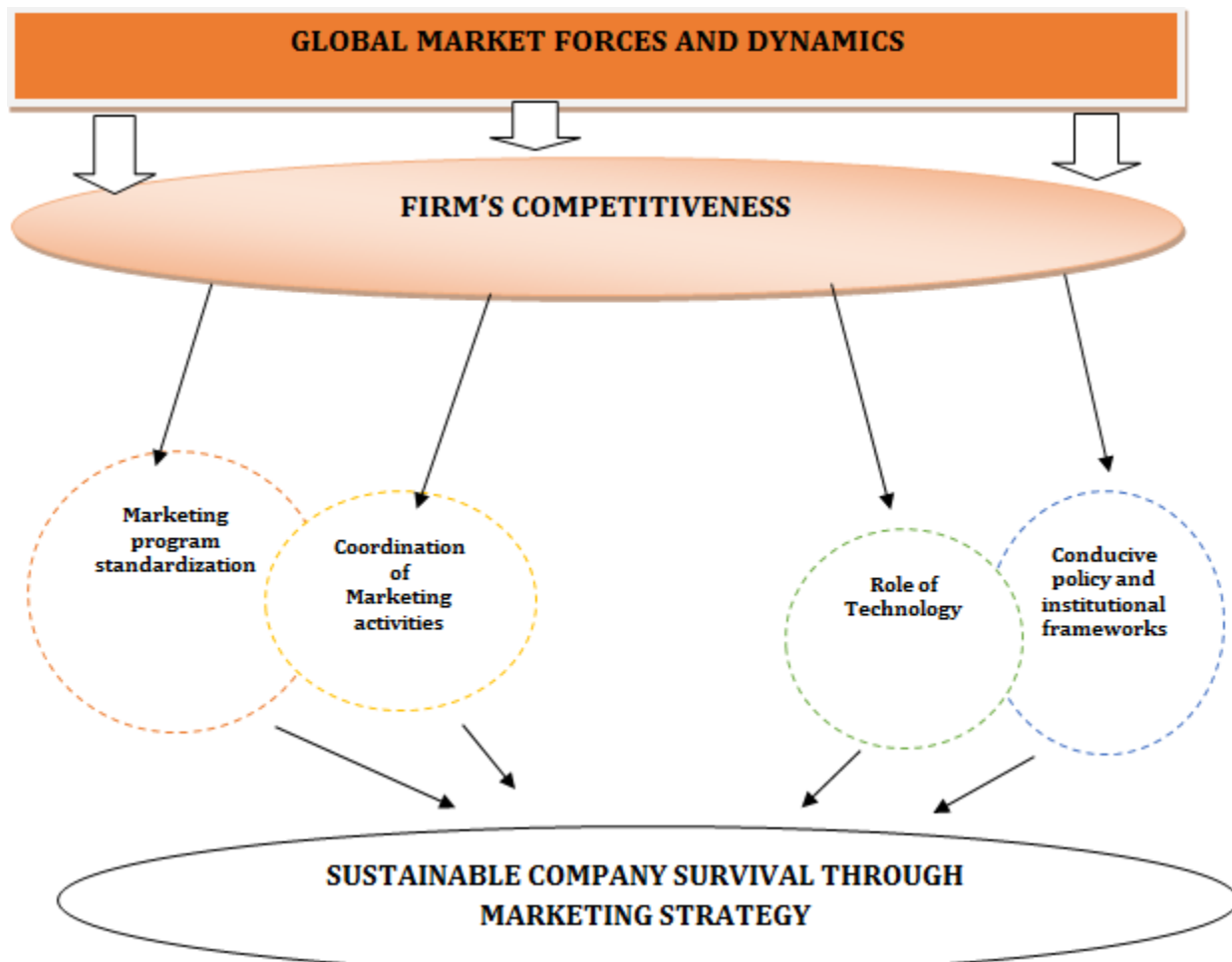


Figure-1. Conceptualization of the Marketing Strategies in the Global Context

The aim of this paper is not to validate the above conceptual model, but to validate the measurement instruments of each variable which is purported to impact on the sustainability of clothing and textile enterprises in a globalized developing environment, using the methodology describe below.

## **2. Methodology**

As reflected in the conceptual model (Figure 1) which was developed from the literature, the following ‘variables’ were deemed to influence a company’s sustainability in a globalized environment, namely, market program standardization, coordination of marketing activities, national policy, and technology. Each variable was measured using several items developed through an intensive literature review (Appendix A). Each item was expressed on a 5-point Likert scale, which required the participants to indicate their agreement/disagreement with each of the statements pertaining to the research construct or variable, where 1 = Strongly Agree and 5 = Strongly Disagree. Several researchers, inter-alia, Radhakrishna (2007) and Deniz and Alsaffar (2013) argued that the development of a valid and reliable questionnaire is a must, and the outline several steps that must be followed in developing a reliable and valid questionnaire, from conceptualization to establishing validity and reliability. Kimberlin and Winterstein (2008) simply state that “key indicators of the quality of a measuring instrument are reliability and validity, which in large part, focus on reducing measurement errors.”

The instruments were developed primarily on the basis of the literature on competitive strategy and tested in in among a sample of stakeholders in the clothing and textile industry in Zimbabwe. Using a two-stage cluster (probability) sampling technique (Thompson, 2012) data was collected from 127 respondents in the clothing and textile sector (Lei *et al.*, 2012). The clothing and textile sector was divided into various sectors ranging from clothing retailers to manufacturers, and the second stage involved a selection of company representatives from the identified clusters.

## **3. Data Analysis**

The statistical software package STATA (version12) was used assess each construct’s reliability and validity. The Cronbach’s coefficient alpha was used to determine the reliability of research instrument, where a value less than 0.7 generally indicates unsatisfactory internal consistency reliability (Connelly, 2011) and .acceptable reliability estimates range from 0.70 to 0.80 (Tavakol and Dennick, 2011). With respect to validity, the Principal Component Analysis and varimax rotation with Kaiser Normalization were used, and only components with eigenvalues above the Kaiser’ default of 1 were extracted. Table 1 indicates that all the measures had high reliability standards.

## **4. Literature Review**

Although in the face of globalization and enormous resource disadvantages, the only way for companies from developing countries to succeed is through continuous upgrading of their internal capabilities, it is imperative that external factors (Kim and Mauborgne, 2015) also be considered, and this has huge support in the literature (Gabrielsson *et al.*, 2012). For example, the political and legal environment created by the host governments can impose some restrictions which affect the competitiveness of the company (Gul *et al.*, 2011). Anecdotal evidence suggests that favourable regulations and consumer stability generally give more opportunity for growth (O’Cass and Weerawardena, 2010).

As a result of globalization, companies are expected to consider similarities across the cultural convergence gap in order to promote the use of a standardized marketing strategy which helps reduce marketing costs and increase overall competitiveness (Schilke *et al.*, 2009). Recent studies emphasize the importance of a “strategic fit” between marketing strategy and the business environment so as to achieve superior performance (Gabrielsson *et al.*, 2012). Even though firms largely depend on the external environment, this undue dependence causes serious challenges and companies should learn to manage their dependence through creating unique competitive strategies (Gabrielsson *et al.*, 2012). The challenge for the international firm is to determine which specific strategy elements are feasible or desirable to adapt, under what conditions and to what degree (Dow and Larimo, 2009).

While there is no doubt about the degree of impact of the external environment on strategy, unique strategies peculiar to the clothing and textile sector must be created (Niinimäki and Hassi, 2011). The advent of globalization has unfortunately created a new and challenging situation where companies from developing countries now find it difficult to compete with companies from the highly industrialized countries (Gereffi and Frederick, 2010). Firms from low-wage industrialized countries have distorted competition in the clothing and textile industry, thus threatening the survival of companies from third world countries (Roberts and Thoburn, 2002). In order to mitigate these challenges, effective marketing strategies which focus on cost reduction, quality and efficiency must be adopted (Goworek, 2011).

Adaptation has the ability to give a company a sustainable competitive advantage (Lishchenko *et al.*, 2011) and some studies suggest that proponents of globalization are more willing to adopt standardization as a strategy than some traditional companies who are yet to accept the realities of globalization (Gabrielsson *et al.*, 2012). The aforementioned researchers argue that “such a stance as allowing them to pursue a low cost leadership strategy as they offer global products through a standardized strategy.” This is important particularly with respect to clothing and textiles firms in developing countries who need to pursue horizontal integration (Morris and Barnes, 2014). Collaboration is one of these alternative strategies and is defined literally as “working together for a common interest or voluntary cooperation between firms involving exchange, sharing of resources, or joint development of products, technologies or services” (Hawkins, 2010).

The competitive strategy framework which is based on Porter (1985) four generic strategies, is an important tool for appraising the attractiveness of a particular business environment (Salunke *et al.*, 2011) and Peng (2013) asserts that any company which applies these strategies will be able to outperform its rivals. However, this framework “only performs better when the companies concerned are positioned to configure their resource base according to the new

typology which recognizes the market scope and the basis through which the advantage is achieved” (Campbell-Hunt, 2000). Campbell-Hunt (2000) assert that “collaboration may present a crucial gap which domestic firms may use to escape the challenges of globalization” as “collaborating with other companies (domestic or multinational) would allow companies to learn from others, thus accumulating experiences, leverage resources, and share risks.”

Having noted the arguments above, the research on which this paper is written attempts to provide answers to the following fundamental question: “How can Zimbabwean companies operating in the clothing and textile sector craft sustainable marketing strategies in the face of globalization.” Based on the exploration above of how global market forces affect marketing strategy, and issues regarding the global marketing strategy within the local market context such as that pertaining to the Zimbabwean clothing and textiles companies, the competitive marketing strategy model is conceptualized as depicted in Figure 1 below. The conceptual framework extends the GMS model (Zou and Cavusgil, 2002) by adding three additional predictor variables (Teece, 2014).

Table-1. Instrument Reliability

| Instrument                      | Cronbach’s Alpha | No. of Items |
|---------------------------------|------------------|--------------|
| Standardized marketing strategy | 0.732            | 18           |
| Coordination                    | 0.816            | 8            |
| Role of technology              | 0.788            | 6            |
| Impact of government policies   | 0.784            | 18           |

#### 4.1. Standardized Marketing Strategy

Table 2 which represents the outcome of confirmatory factor analysis for the first construct, namely, Marketing Program Standardization shows significant loadings for the construct measurements,  $p < 0.001$ .

Table-2. Factor Loadings for Standardized Marketing Strategy

| Structural equation model                                   |                 | Number of obs |       | =     |                      | 127      |  |
|---|-----------------|---------------|-------|-------|----------------------|----------|--|
| Estimation method   |                 | = ml          |       |       |                      |          |  |
| Log likelihood  |                 | = -970.76884  |       |       |                      |          |  |
| ( 1) [BenefitOfStandardising1]Marketing_Standardization = 1 |                 |               |       |       |                      |          |  |
|   | OIM             |               |       |       | [95% Conf. Interval] |          |  |
|   | Coef.           | Std. Err.     | z     | P> z  |                      |          |  |
| Measurement   |                 |               |       |       |                      |          |  |
| BenefitOfStandardising1 <- Marketing_Standardization _cons  | 1 (constrained) |               |       |       |                      |          |  |
|   | 4.047244        | .1090259      | 37.12 | 0.000 | 3.833557             | 4.260931 |  |
| BenefitOfStandardising2 <- Marketing_Standardization _cons  | .9792079        | .0381815      | 25.65 | 0.000 | .9043735             | 1.054042 |  |
|   | 3.976378        | .1159725      | 34.29 | 0.000 | 3.749076             | 4.20368  |  |
| BenefitOfStandardising3 <- Marketing_Standardization _cons  | .9937995        | .0128662      | 77.24 | 0.000 | .9685823             | 1.019017 |  |
|   | 4.015748        | .107954       | 37.20 | 0.000 | 3.804162             | 4.227334 |  |
| BenefitOfStandardising4 <- Marketing_Standardization _cons  | 1.037369        | .0250012      | 41.49 | 0.000 | .9883675             | 1.086371 |  |
|   | 4.11811         | .113123       | 36.40 | 0.000 | 3.896393             | 4.339827 |  |
| BenefitOfStandardising5 <- Marketing_Standardization _cons  | .9574954        | .0303415      | 31.56 | 0.000 | .8980271             | 1.016964 |  |
|   | 3.992126        | .1088188      | 36.69 | 0.000 | 3.778845             | 4.205407 |  |
| BenefitOfStandardising6 <- Marketing_Standardization _cons  | .9915725        | .0312127      | 31.77 | 0.000 | .9303967             | 1.052748 |  |
|   | 3.929134        | .1125632      | 34.91 | 0.000 | 3.708514             | 4.149754 |  |
| BenefitOfStandardising7 <- Marketing_Standardization _cons  | .8009026        | .0996191      | 8.04  | 0.000 | .6056528             | .9961525 |  |
|   | 3.464567        | .1488981      | 23.27 | 0.000 | 3.172732             | 3.756402 |  |
| BenefitOfStandardising11 <- Marketing_Standardization _cons | .9993538        | .0404393      | 24.71 | 0.000 | .9200942             | 1.078613 |  |
|   | 4.015748        | .1124679      | 35.71 | 0.000 | 3.795315             | 4.236181 |  |
| BenefitOfStandardising12 <- Marketing_Standardization _cons | .6993675        | .0747291      | 9.36  | 0.000 | .5529011             | .845834  |  |
|   | 4.086614        | .1173327      | 34.83 | 0.000 | 3.856646             | 4.316582 |  |
| BenefitOfStandardising13 <- Marketing_Standardization _cons | .99962          | .0302437      | 33.05 | 0.000 | .9403435             | 1.058897 |  |
|   | 4.047244        | .1129356      | 35.84 | 0.000 | 3.825894             | 4.268594 |  |
| BenefitOfStandardising18 <- Marketing_Standardization _cons | .8661413        | .0697845      | 12.41 | 0.000 | .7293663             | 1.002916 |  |
|   | 3.559055        | .1258136      | 28.29 | 0.000 | 3.312465             | 3.805645 |  |

On the strength of the high factor loadings confirmed, a structural equation model confirming the relationship was produced as shown on Figure 2. In order to obtain a perfect fit between the construct and its measurements, the model was modified through a critical analysis of the Modification Indices and following the recommendations for the creation of new paths in order to obtain a perfect fit. These new paths were fitted into the model until a perfect fit was obtained.

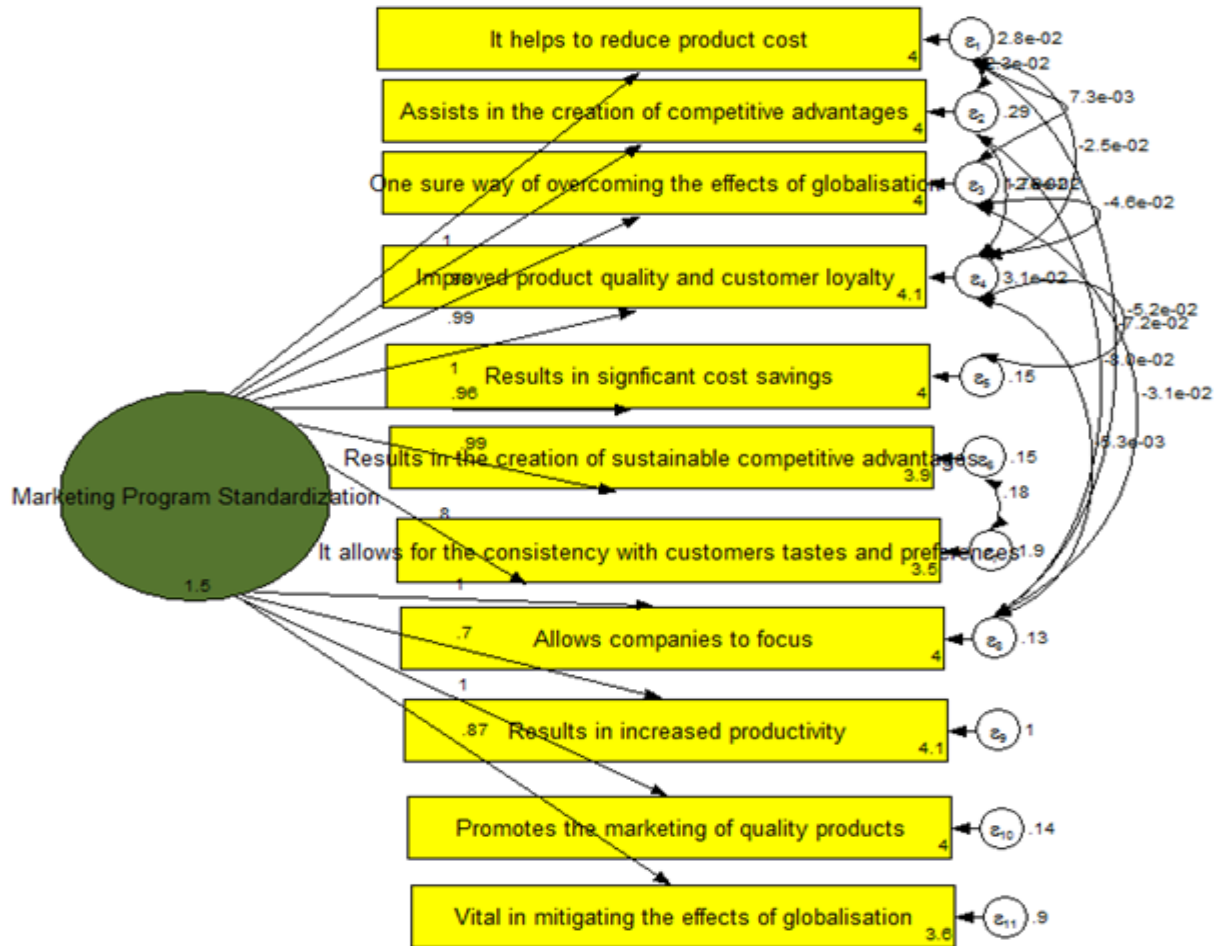


Figure-2. Marketing Standardization Model

Although Figure 2 above shows the modified model representing the latent variable marketing program standardization and its measurements. However, to test the fitness of the model, a goodness of fit test was conducted as shown in Table 3 below, which results confirm (CFI and TLI indices of 0.950 and 0.917 respectively) confirm a perfect fit between standardization of marketing strategies and its measurements, which indicates the suitability of the model.

Table-3. Goodness of fit - Marketing Standardization

| . estat gof, stats(all) |          |  |
|-------------------------|----------|--|
| Fit statistic           | Value    | Description                              |
| Likelihood ratio        |          |  |
| chi2_ms(33)             | 178.454  | model vs. saturated                      |
| p > chi2                | 0.000    |  |
| chi2_bs(55)             | 2958.473 | baseline vs. saturated                   |
| p > chi2                | 0.000    |  |
| Population error        |          |  |
| RMSEA                   | 0.186    | Root mean squared error of approximation |
| 90% CI, lower bound     | 0.160    |  |
| upper bound             | 0.214    |  |
| pclose                  | 0.000    | Probability RMSEA <= 0.05                |
| Information criteria    |          |  |
| AIC                     | 2029.538 | Akaike's information criterion           |
| BIC                     | 2154.682 | Bayesian information criterion           |
| Baseline comparison     |          |  |
| CFI                     | 0.950    | Comparative fit index                    |
| TLI                     | 0.917    | Tucker-Lewis index                       |
| Size of residuals       |          |  |
| SRMR                    | 0.033    | Standardized root mean squared residual  |
| CD                      | 1.012    | Coefficient of determination             |

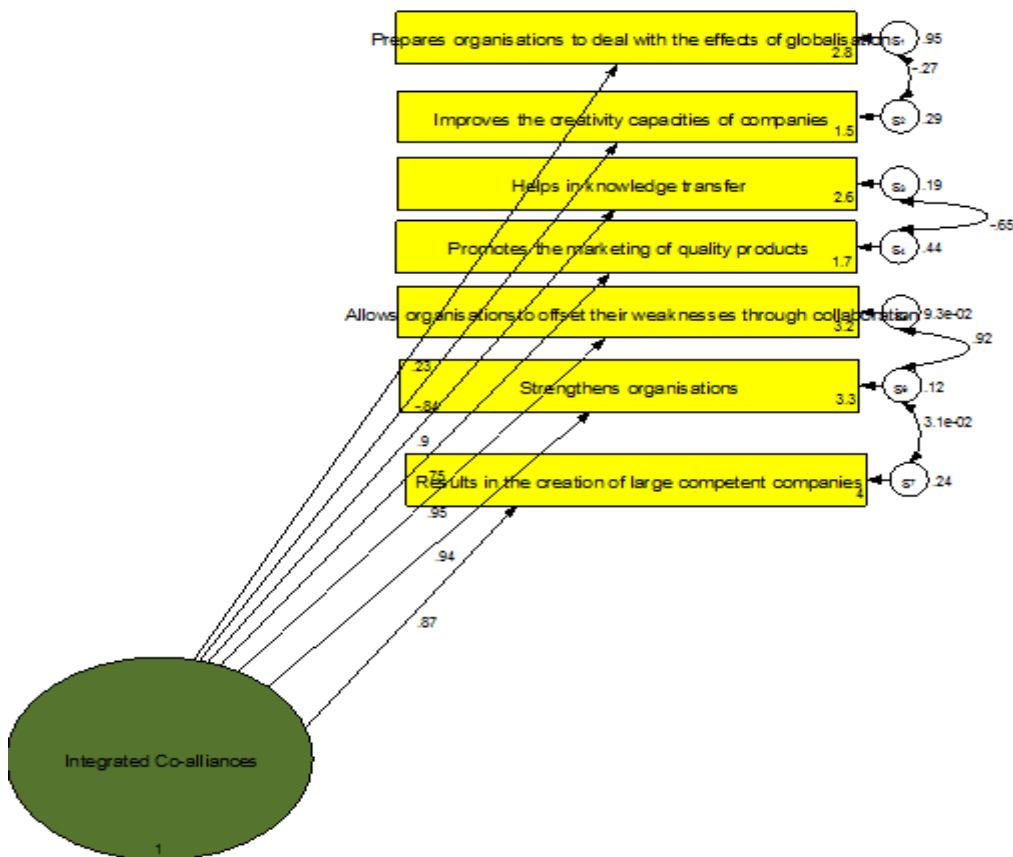
#### 4.2. Coordination of Marketing Activities

Table 4 shows significant items loadings into the Coordination of Marketing Activities construct (p<0.05).

**Table-4.** Factor loading - Coordination of Marketing Activities

| Structural equation model                                |           | Number of obs = |       | 127   |                      |           |
|--|-----------|-----------------|-------|-------|----------------------|-----------|
| Estimation method = ml                                   |           |                 |       |       |                      |           |
| Log likelihood = -889.73948                              |           |                 |       |       |                      |           |
| ( 1) [BenefitsOfIntegration1]Integration_coallainces = 1 |           |                 |       |       |                      |           |
|  | Coef.     | OIM Std. Err.   | z     | P> z  | [95% Conf. Interval] |           |
| <b>Measurement</b>                                       |           |                 |       |       |                      |           |
| BenefitsOfIntegration1 <- Integration_coallainces _cons  | 1         | (constrained)   |       |       |                      |           |
|  | 3.929134  | .1225826        | 32.05 | 0.000 | 3.688876             | 4.169391  |
| BenefitsOfIntegration2 <- Integration_coallainces _cons  | -3.591143 | 1.358255        | -2.64 | 0.008 | -6.253273            | -.9290127 |
|  | 2.047244  | .1193417        | 17.15 | 0.000 | 1.813339             | 2.28115   |
| BenefitsOfIntegration3 <- Integration_coallainces _cons  | 3.985697  | 1.562655        | 2.55  | 0.011 | .9229494             | 7.048445  |
|  | 3.677165  | .1244402        | 29.55 | 0.000 | 3.433267             | 3.921064  |
| BenefitsOfIntegration4 <- Integration_coallainces _cons  | -2.781439 | 1.108791        | -2.51 | 0.012 | -4.954628            | -.6082491 |
|  | 2.055118  | .1046427        | 19.64 | 0.000 | 1.850022             | 2.260214  |
| BenefitsOfIntegration5 <- Integration_coallainces _cons  | 3.725083  | 1.461537        | 2.55  | 0.011 | .8605238             | 6.589642  |
|  | 4.015748  | .1096634        | 36.62 | 0.000 | 3.800812             | 4.230684  |
| BenefitsOfIntegration6 <- Integration_coallainces _cons  | 3.627223  | 1.425468        | 2.54  | 0.011 | .8333566             | 6.421089  |
|  | 3.984252  | .1085331        | 36.71 | 0.000 | 3.771531             | 4.196973  |
| BenefitsOfIntegration7 <- Integration_coallainces _cons  | 2.959803  | 1.162395        | 2.55  | 0.011 | .6815502             | 5.238056  |
|  | 4.299213  | .0953471        | 45.09 | 0.000 | 4.112336             | 4.486089  |
| <b>Variance</b>  |           |                 |       |       |                      |           |
| e.BenefitsOfIntegration1                                 | 1.808504  | .2277841        |       |       | 1.412893             | 2.314886  |
| e.BenefitsOfIntegration2                                 | .5209669  | .0764075        |       |       | .3908129             | .6944667  |
| e.BenefitsOfIntegration3                                 | .3802906  | .061663         |       |       | .2767551             | .5225592  |
| e.BenefitsOfIntegration4                                 | .6181061  | .083858         |       |       | .4737849             | .8063894  |
| e.BenefitsOfIntegration5                                 | .1416302  | .0379604        |       |       | .0837554             | .2394965  |
| e.BenefitsOfIntegration6                                 | .1821572  | .041839         |       |       | .1161281             | .2857297  |
| e.BenefitsOfIntegration7                                 | .2797498  | .0428874        |       |       | .2071453             | .3778021  |
| Integration_coallainces                                  | .0998599  | .0788896        |       |       | .0212295             | .4697239  |

Figure 3 below, shows the best fitting path diagram for the tested construct – Co-ordination of Marketing Activities



**Figure-3.** Coordination of Marketing Activities

The goodness of fit test statistics reflected in Table 5 indicate that a perfect fit was obtained with RMSEA=<0.001, CFI=1 and TLI=1; all indicative of a perfect fit between the construct and its measurements.

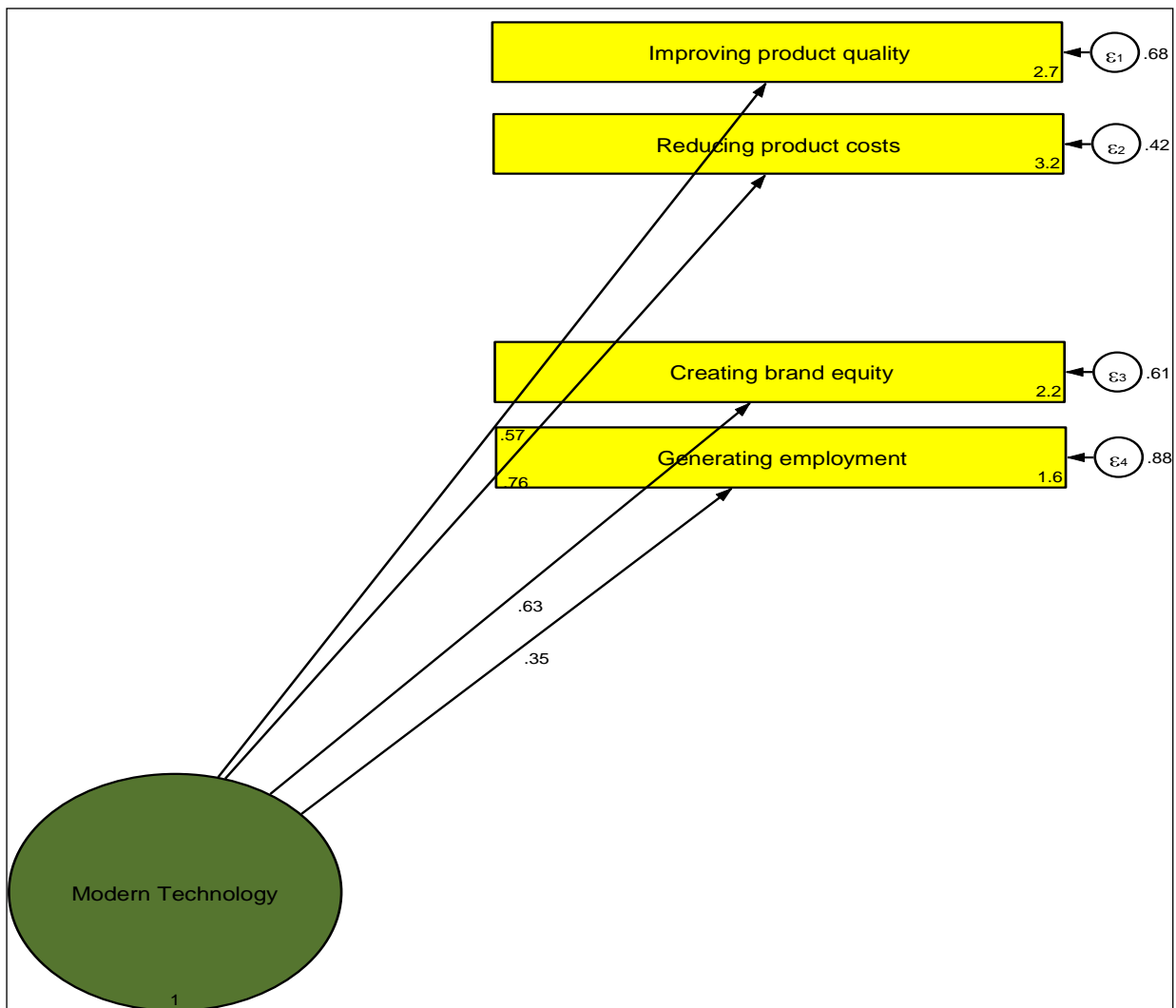
**4.3. Role of Technology**

Table 6 reflects the outcome of confirmatory factor analysis was done with respect to determining the relevance of the items to measure the role of technology. It is evident that all items show significant loading (p<0.05).

**Table-5.** Factor Loadings - The Role Technology

| Structural equation model  |          | Number of obs    |       | =     |                      | 127      |  |
|--|----------|------------------|-------|-------|----------------------|----------|--|
| Estimation method = ml   |          |                  |       |       |                      |          |  |
| Log likelihood = -814.947  |          |                  |       |       |                      |          |  |
| ( 1) [Technology1]Modern_technology = 1                              |          |                  |       |       |                      |          |  |
|  | Coef.    | OIM<br>Std. Err. | z     | P> z  | [95% Conf. Interval] |          |  |
| <b>Measurement</b>   |          |                  |       |       |                      |          |  |
| Technology1 <-<br>Modern_technology<br>_cons                         | 1        | (constrained)    |       |       |                      |          |  |
|  | 3.740157 | .1225985         | 30.51 | 0.000 | 3.499869             | 3.980446 |  |
| Technology2 <-<br>Modern_technology<br>_cons                         | 1.170225 | .2845399         | 4.11  | 0.000 | .6125368             | 1.727913 |  |
|  | 3.858268 | .107228          | 35.98 | 0.000 | 3.648105             | 4.068431 |  |
| Technology5 <-<br>Modern_technology<br>_cons                         | 1.064776 | .2249729         | 4.73  | 0.000 | .623837              | 1.505715 |  |
|  | 2.952756 | .1182982         | 24.96 | 0.000 | 2.720896             | 3.184616 |  |
| Technology6 <-<br>Modern_technology<br>_cons                         | .5698959 | .1981507         | 2.88  | 0.004 | .1815277             | .9582641 |  |
|  | 2.015748 | .1124548         | 17.92 | 0.000 | 1.795341             | 2.236155 |  |
| <b>Variance</b>  |          |                  |       |       |                      |          |  |
| e.Technology1  | 1.293804 | .2118112         |       |       | .9386779             | 1.783283 |  |
| e.Technology2  | .6179528 | .1925954         |       |       | .3354779             | 1.138274 |  |
| e.Technology5  | 1.079977 | .2022011         |       |       | .7482495             | 1.558772 |  |
| e.Technology6  | 1.406292 | .1877732         |       |       | 1.082481             | 1.826969 |  |
| Modern_technology  | .6150562 | .2225391         |       |       | .3026453             | 1.249959 |  |
| LR test of model vs. saturated: chi2(2) = 3.23, Prob > chi2 = 0.1986 |          |                  |       |       |                      |          |  |
| . estat gof, stats(all)  |          |                  |       |       |                      |          |  |

Figure 4 below shows the confirmed path analysis of the best fitting model. It is evident that only four measurements confirm their effect on the hypothesized construct, and a further analysis was therefore necessary in order to confirm the goodness of fit of the model.



**Figure-4.** The Role of Technology

**Table-6.** Goodness of fit - Effects of Technology

| LR test of model vs. saturated: chi2(2) = 3.23, Prob > chi2 = 0.1986 |          |  |
|--|----------|--|
| . estat gof, stats(all)  |          |  |
| Fit statistic  | Value    | Description                              |
| Likelihood ratio   |          |  |
| chi2_ms(2)   | 3.233    | model vs. saturated                      |
| p > chi2   | 0.199    |  |
| chi2_bs(6)   | 78.375   | baseline vs. saturated                   |
| p > chi2   | 0.000    |  |
| Population error   |          |  |
| RMSEA  | 0.070    | Root mean squared error of approximation |
| 90% CI, lower bound  | 0.000    |  |
| upper bound  | 0.203    |  |
| pclose   | 0.297    | Probability RMSEA <= 0.05                |
| Information criteria   |          |  |
| AIC  | 1653.894 | Akaike's information criterion           |
| BIC  | 1688.024 | Bayesian information criterion           |
| Baseline comparison  |          |  |
| CFI  | 0.983    | Comparative fit index                    |
| TLI  | 0.949    | Tucker-Lewis index                       |
| Size of residuals  |          |  |
| SRMR   | 0.029    | Standardized root mean squared residual  |
| CD   | 0.724    | Coefficient of determination             |

The results above show a good fit of the hypothesized construct and its measurements, as reflected by high CFI and TLI indices of 0.983 and 0.949 respectively.

**4.4. National Policy**

Table 8 reflects the factor loadings for the items developed to measure the construct national policy. On the strength of the high factor loadings confirmed in Table 8 a structural equation model confirming the relation was produced as shown on Figure 5 below.

**Table-7.** National Policy Factor Loadings

| Structural equation model  |                 | Number of obs = 127         |        |       |                      |           |
|--|-----------------|-----------------------------|--------|-------|----------------------|-----------|
| Estimation method = ml   |                 | Log likelihood = -1093.5077 |        |       |                      |           |
| ( 1) [Role1]National_Policy = 1  |                 |                             |        |       |                      |           |
|  | Coef.           | Std. Err.                   | z      | P> z  | [95% Conf. Interval] |           |
| Measurement  |                 |                             |        |       |                      |           |
| Role1 <-   | 1 (constrained) |                             |        |       |                      |           |
| National_Policy  | 1.913386        | .1068221                    | 17.91  | 0.000 | 1.704018             | 2.122753  |
| Role2 <-   | National_Policy |                             |        |       |                      |           |
| National_Policy  | -1.176326       | .0344586                    | -34.14 | 0.000 | -1.243863            | -1.108788 |
| Role3 <-   | National_Policy |                             |        |       |                      |           |
| National_Policy  | 3.834646        | .1208418                    | 31.73  | 0.000 | 3.5978               | 4.071491  |
| Role6 <-   | National_Policy |                             |        |       |                      |           |
| National_Policy  | -.2125444       | .0432798                    | -4.91  | 0.000 | -.2973713            | -.1277176 |
| Role8 <-   | National_Policy |                             |        |       |                      |           |
| National_Policy  | 1.496063        | .05441                      | 27.50  | 0.000 | 1.389421             | 1.602705  |
| Role9 <-   | National_Policy |                             |        |       |                      |           |
| National_Policy  | -1.108128       | .034366                     | -32.24 | 0.000 | -1.175484            | -1.040772 |
| Role11 <-  | National_Policy |                             |        |       |                      |           |
| National_Policy  | 3.874016        | .1146431                    | 33.79  | 0.000 | 3.649319             | 4.098712  |
| Role12 <-  | National_Policy |                             |        |       |                      |           |
| National_Policy  | -1.4768401      | .0585641                    | -8.14  | 0.000 | -.5916235            | -.3620566 |
| Role14 <-  | National_Policy |                             |        |       |                      |           |
| National_Policy  | 2.818898        | .0813865                    | 34.64  | 0.000 | 2.659383             | 2.978412  |
| Variance   |                 |                             |        |       |                      |           |
| e.Role1  | .1250055        | .0171887                    |        |       | .0954741             | .1636712  |
| e.Role2  | .0222166        | .0098025                    |        |       | .0093564             | .0527532  |
| e.Role3  | .3161569        | .0396171                    |        |       | .247309              | .4041712  |
| e.Role6  | .043136         | .0108989                    |        |       | .026289              | .0707794  |
| e.Role8  | .5401291        | .0682937                    |        |       | .4215722             | .6920272  |
| e.Role9  | .7707394        | .0975938                    |        |       | .6013472             | .9878472  |
| e.Role11   | .3642724        | .045879                     |        |       | .2845903             | .4662645  |
| e.Role12   | .5607094        | .0704556                    |        |       | .4383092             | .7172905  |
| e.Role14   | .8340342        | .1047407                    |        |       | .6520595             | 1.066794  |
| National_Policy  | 1.324185        | .181319                     |        |       | 1.0125               | 1.73182   |
| Covariance   |                 |                             |        |       |                      |           |
| e.Role1  |                 |                             |        |       |                      |           |
| e.Role3  | -.022066        | .0163954                    | -1.35  | 0.178 | -.0542004            | .0100683  |
| e.Role2  |                 |                             |        |       |                      |           |
| e.Role9  | -.0341196       | .0199863                    | -1.71  | 0.088 | -.0732921            | .0050528  |
| e.Role11   | -.0005425       | .0112795                    | -0.05  | 0.962 | -.0226499            | .0215648  |
| e.Role3  |                 |                             |        |       |                      |           |
| e.Role11   | .1644086        | .0334465                    | 4.92   | 0.000 | .0988547             | .2299625  |
| e.Role6  |                 |                             |        |       |                      |           |
| e.Role8  | -.0374762       | .0168259                    | -2.23  | 0.026 | -.0704543            | -.0044982 |
| e.Role14   | -.05948         | .0210448                    | -2.83  | 0.005 | -.1007271            | -.018233  |
| e.Role8  |                 |                             |        |       |                      |           |
| e.Role14   | .0601465        | .0600762                    | 1.00   | 0.317 | -.0576008            | .1778937  |
| e.Role9  |                 |                             |        |       |                      |           |
| e.Role11   | -.0054506       | .0414884                    | -0.13  | 0.895 | -.0867664            | .0758652  |
| LR test of model vs. saturated: chi2(19) = 44.53, Prob > chi2 = 0.0008 |                 |                             |        |       |                      |           |



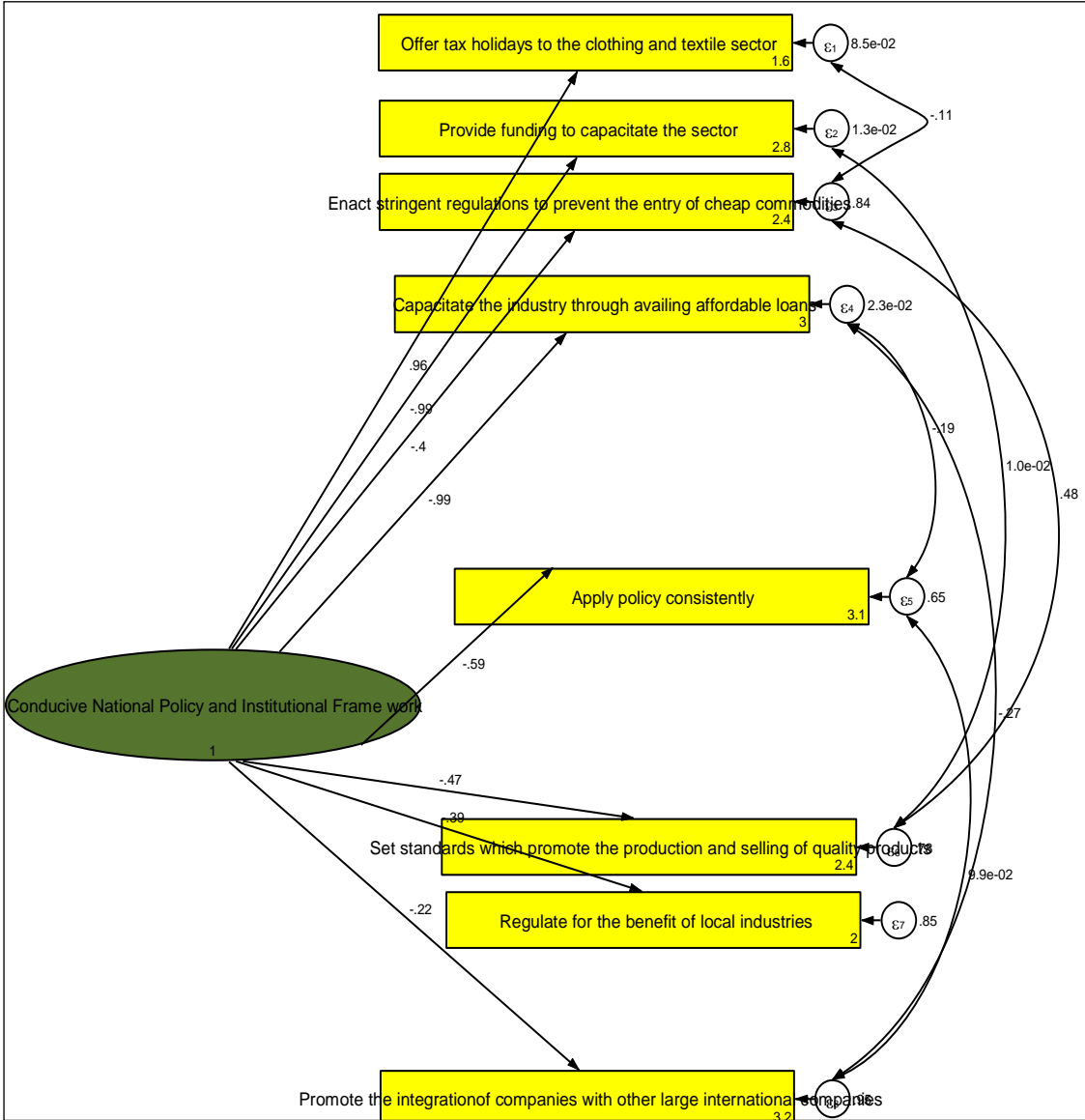


Figure-5. Effect of National Policy

The model above confirms the relationship of measurements or loadings in relation to the latent variable. Modifications to the model were done through the use of Modification Indices and new paths were fitted into the model until a perfectly fitting model was obtained. Figure 5 above shows the modified model representing the latent variable, ‘effect of conducive policy’ and its measurements. However, to test the fitness of the model, a test for goodness of fit was conducted as shown in Table 8 below.

Table-8. Goodness of fit - National Policy

| . estat gof, stat(all) |          |  |
|------------------------|----------|--|
| Fit statistic          | Value    | Description                              |
| Likelihood ratio       |          |  |
| chi2_ms(14)            | 15.054   | model vs. saturated                      |
| p > chi2               | 0.374    |  |
| chi2_bs(28)            | 918.248  | baseline vs. saturated                   |
| p > chi2               | 0.000    |  |
| Population error       |          |  |
| RMSEA                  | 0.024    | Root mean squared error of approximation |
| 90% CI, lower bound    | 0.000    |  |
| upper bound            | 0.091    |  |
| pclose                 | 0.660    | Probability RMSEA <= 0.05                |
| Information criteria   |          |  |
| AIC                    | 1919.418 | Akaike's information criterion           |
| BIC                    | 2004.744 | Bayesian information criterion           |
| Baseline comparison    |          |  |
| CFI                    | 0.999    | Comparative fit index                    |
| TLI                    | 0.998    | Tucker-Lewis index                       |
| Size of residuals      |          |  |
| SRMR                   | 0.031    | Standardized root mean squared residual  |
| CD                     | 0.993    | Coefficient of determination             |

The results above (Table 8) show a good fit of the construct and its measurements, as reflected by high CFI and TLI indices of 0.999 and 0.998 respectively. In addition, a Root Mean Square Error of 0.024 further confirms a

perfect fit, which is supported by the literature (Kline, 2005) where values for the RMSE range from zero to 1.0 with well-fitting models obtaining values less than 0.05.

## 5. Conclusion and Recommendation

The variables identified as influencing marketing strategy in a globalized developing country environment were: marketing programme standardization, co-ordination of marketing activities, role of technology, and conducive national policies. The number of items developed to measure each of the aforementioned were 18; 8; 6; and 18 respectively (Appendix A). However, only 11; 7; 4; and 8 items were found to be valid and thus retained. Thus, the revised instrument could be deemed as being reliable and valid for use in a developing country environment to mitigate the risks of globalization. The next logical step will be to assess the conceptual model (Figure 1) and use inferential statistics such as structural equation modelling to test the model.

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**Appendix-A. Extract of the Questionnaire**

8. To what extent do the following statements help to explain the benefits of a uniform (standardized marketing strategy) in order to mitigate the effects of globalization? Indicate the level of your agreement or disagreement. (1- Strongly disagree and 5- Strongly agree)

|  | 1 | 2 | 3 | 4 | 5 |
|--|---|---|---|---|---|
| It helps in reducing product cost  |   |   |   |   |   |
| Assists in the creation of competitive advantages  |   |   |   |   |   |
| One sure way of overcoming the effects of globalization  |   |   |   |   |   |
| Improved product quality and customer loyalty  |   |   |   |   |   |
| Results in significant cost savings  |   |   |   |   |   |
| Results in the creation of sustainable competitive advantages                                    |   |   |   |   |   |
| It allows for consistency with customers tastes and preferences                                  |   |   |   |   |   |
| Promotes improved planning and distribution  |   |   |   |   |   |
| Allows for greater control across national borders   |   |   |   |   |   |
| Increases the company's ability to produce high-quality products at a low cost                   |   |   |   |   |   |
| Allows companies to focus  |   |   |   |   |   |
| Results in increased productivity  |   |   |   |   |   |
| Promotes the marketing of quality products   |   |   |   |   |   |
| Results in a uniform corporate identity which simplifies the marketing and promotion of products |   |   |   |   |   |
| Improves resource utilization  |   |   |   |   |   |
| Promotes strategy alignment  |   |   |   |   |   |
| Promotes rapid company growth  |   |   |   |   |   |
| Vital in mitigating the effects of globalization   |   |   |   |   |   |

9. Indicate the extent to which the following statements help to explain the benefits of coordination as a way of creating sustainable marketing strategies. (1- Strongly disagree and 5- Strongly agree)

|  | 1 | 2 | 3 | 4 | 5 |
|--|---|---|---|---|---|
| Results in the creation of synergies   |   |   |   |   |   |
| Improves productivity  |   |   |   |   |   |
| Promotes team work and the achievement of organizational goals                                   |   |   |   |   |   |
| Strengthens the organization and improves its capacity to deal with the effects of globalization |   |   |   |   |   |
| Can be used as a competitive advantage   |   |   |   |   |   |
| Improves employee morale   |   |   |   |   |   |
| Promotes and encourages team building  |   |   |   |   |   |
| Promotes the achievement of company objectives   |   |   |   |   |   |

11. Advanced modern technology can help the clothing and textile companies in the pursuit of their marketing strategies in the following ways: (1- Strongly disagree and 5- Strongly agree).

|                                 | 1 | 2 | 3 | 4 | 5 |
|---------------------------------|---|---|---|---|---|
| Improving product quality       |   |   |   |   |   |
| Reducing product costs          |   |   |   |   |   |
| Increasing product availability |   |   |   |   |   |
| Building strong brands          |   |   |   |   |   |
| Creating brand equity           |   |   |   |   |   |
| Generating employment           |   |   |   |   |   |

13. Government should help resuscitate the sector in the following ways: (1- Strongly disagree and 5- Strongly agree)

|  | 1 | 2 | 3 | 4 | 5 |
|--|---|---|---|---|---|
| Offer tax holidays to the sector   |   |   |   |   |   |
| Provide funding to capacitate the sector   |   |   |   |   |   |
| Enact stringent regulations to prevent the entry of cheap commodities                              |   |   |   |   |   |
| Increases tariffs for all imported clothing and textile products                                   |   |   |   |   |   |
| Encourage the consumption of local products  |   |   |   |   |   |
| Capacitate the industry through availing affordable loans  |   |   |   |   |   |
| Formulate policies which are friendly to the industry  |   |   |   |   |   |
| Apply policy consistently  |   |   |   |   |   |
| Create a conducive environment for business  |   |   |   |   |   |
| Encourage and support international marketing for the generation of foreign currency               |   |   |   |   |   |
| Set standards which promotes the production and selling of quality products                        |   |   |   |   |   |
| Regulate for the benefit of local businesses   |   |   |   |   |   |
| Offer strategic direction to companies   |   |   |   |   |   |
| Promote the integration of companies with other large international companies                      |   |   |   |   |   |
| Capacitate the entire value chain in the clothing and textile sector through concessionary lending |   |   |   |   |   |
| Formulate policies in line with regional policies  |   |   |   |   |   |
| Promote the creation of a level playing field in the face of globalization                         |   |   |   |   |   |
| Protect the clothing sector through appropriate legislation  |   |   |   |   |   |

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