Modeling Competitive Marketing Strategies: Niche and Relationship Marketing Strategies in Relation to Firm Performance: A Study of Malaysian Furniture Industry

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Abstract

In the contemporary competitive environment effective marketing strategies are extremely important for the survival and sustainability. The fundamental marketing objectives are merely to comprehend and manage customers in order to increase devotion and profitability. The study's primary goal is to look into the link among niche and relationship marketing strategies and firm performance. Niche marketing strategy can be measured through adopted items, similarly relationship marketing strategy also measured through adopted items from previous scholars. The information was gathered via a questionnaire with a five-point likert type rating scale. A sample of 190 companies were surveyed from Johor state of Malaysia. For the analysis 147 questionnaires were found valid for further analysis. The connection and significance between the dependent (firm performance) and independent variables (Niche & Relationship marketing strategies) were measured using SmartPLS version 3.0.

Keywords: Niche marketing strategy, Relationship Marketing strategy, SmartPLS 3.0, Firm Performance,

Introduction

Managing marketing strategy makes it appear that marketing is simple to manage and organize. Market research, marketing forecasting, advertising, sales elevation, sales, pricing, distribution, and product packaging are all ceded to specialists who are responsible for the analysis, planning, and integration of innovative marketing tasks like market research, marketing planning, advertising, sales promotion, sales, pricing, distribution, and product packaging. Marketing departments are established to handle the company's marketing functions. In most circumstances, satisfying all consumers in a particular market with a distinct marketing approach is nearly difficult. Individual applications of or advantages pursued from a product class/form/brand/options has been discovered to vary in terms of customer partialities, marketplace choice behavior, and effective reactions to firm marketing actions. As a result, businesses cater to a wide range of market sectors with a variety of products and brands. As a result, many companies are shifting away from mass marketing toward a targeted marketing strategy that refers to a specific consumer segment.

Literature Review

All competing businesses use a strategy to choose a combination of marketing resources, whether implicitly or overtly. Companies can no longer compete in today's highly competitive business environment with a transactional mentality toward

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customers (Akbar, Omar, Wadood, & Tasmin, 2017; Nwaizugbo & Anukam, 2014; O'Cass & Morrish, 2015). Over the last ten years, marketing ideas and activities have evolved (Mughari, 2013). Customer happiness was once the ultimate goal of marketing initiatives, according to the quality movement. Companies must emphasis their marketing lenses on more reasonable elements, that is thought to be the most effective strategy for filling and retaining consumers (Azkanar, 2017; Downing, Azevedo, & Bram, 2016; Velnampy & Sivesan, 2012; Yuksekbilgili, 2014).

Lindgreen & Swaen, (2010), a contemporary marketing practice group, has focused on the evolving role of marketing managers Gerard, (2011) in relation to relationship building (Bigat, 2012). Another set of researchers, according to Roll, (2016), believes that marketing is conducted utilizing both the transaction and relationship approaches (Agic, Cinjarevic, Kurtovic, & Cicic, 2016). With the new marketing approach, it is critical for firms to target their marketing operations to important markets (Akbar, Bon, & Wadood, 2020; Hendriks, 2011), such as customers, suppliers, referrals, recruiting, influencers, and internal markets (Akbar, Khan, Wadood, & Bon, 2020; Gerald & Hultman, 2008). All of these marketplaces are significant, but customers provide higher value (Domingos, 2005; Vassallo, Blemaster, & Werner, 2005).

The dispersion of the mass market is the result of a huge upheaval in the social landscape. Traditional marketing strategies are no longer as operational as they once were for marketers (Akbar, Omar, & Wadood, 2015; Shani & Chalasani, 1992). New and more appropriate ways are being sought. Two of the most widely discussed strategies are niche marketing and relationship marketing (Akbar, Razak,

Wadood, & Al-subari, 2017; Akbar, et al., 2017). Marketers of consumer goods must shift from a top-down technique of segmenting a mass market to a bottom-up one of collecting individual requirements into viable micro-markets (Anastassova, 2013; Kanagal, 2009). Simultaneously, businesses must replace the short-term focus on inducing sales with a long-term focus on building loyalty among a selected number of their greatest clients.

Marketers are recognizing the value of digging out niches and personalizing offerings to certain individuals (Akbar et al., 2015; Debruyne & Reibstein, 2005; Palmatier, Gopalakrishna, & Houston, 2006; Rhee, Kim, & Han, 2006). Many marketers, however, still overlook the importance of relationship marketing in capitalizing niches. Niche marketing and relationship marketing have a stronger synergy than any other marketing method. With very big segments, relationship marketing would not be successful or feasible. Relationship marketing with individual niche members, on the other hand, is the most successful way to exploit progressively narrow niches (Vessenes, 2005) while avoiding the hazards inherent in a niche strategy (Akbar, et al., 2017; Akbar, et al., 2017; Wadood, Shamsuddin, & Abdullah, 2013).

Niche marketing strategy

In contrast to what was formerly a straightforward mass-market, new demand, shifting customer motives, and more individualization (both business to business and business to customer marketing) have generated a plethora of unique and fractured markets (Akbar, Omar, Wadood, & Tasmin, 2017a, 2017b; Akbar et al., 2015; Ali, 2011).

Product-driven marketing entails concentrating all marketing efforts on selling more of a certain product to as many consumers as feasible (Hanlan, Fuller, & Wilde, 2005; Oboreh, Ogechukwu, &

Francis, 2011; E. Parrish, 2010; Velnampy & Sivesan, 2012). A market-driven strategy entails developing whatever products or services are required to meet the needs of a specific market group (Akbar et al., 2015; Ali, 2011). Your company can be a large fish in a tiny pond, thanks to niche marketing. Shani and Chalasani (1992) define niche marketing as the progression of identifying a tiny segment of the market with unmet demands. Niche marketing is defined as the selection of narrow areas that demand specialized technical and marketing knowledge (Karandeniz, 2009; Noy, 2010). The main concept in niche marketing, according to Kotler (2000), is specialization (Akbar et al., 2015). Niche marketing distinguishes such products from similar products and targets buyers seeking a unique or superior offering.

It is vital for a company's long-term existence to be able to keep up with evolving technologies (Debruyne & Reibstein, 2005). Companies must, however, weigh the risks of jumping into new industries (Akbar et al., 2017). Niche marketing requires businesses to target a highly specialized sector of the population, such as a certain geographic location (Akbar, et al., 2017a; Akbar et al., 2015), a specific demographic group (Ali, 2011), or a group of people who have common interests (Choudhary, 2014; Dalgic, 2006; Parrish, Cassill, & Oxenham, 2006). For businesses trying to expand or shift, niche markets are particularly appealing. Other businesses may strive to improve or maintain their financial results rather than expand (Thilmany, 2012). In brief, establishing core capabilities is a critical component of developing a solid marketing plan, particularly for niche markets.

Relationship marketing strategy

The focus of marketing is shifting away from attracting customers and toward activities that involve having and caring for

customers (Akbar, et al., 2017; Ravald & Grönroos, 1996). The sustaining of interactions among the firm and the stakeholders in its micro-environment (Regan, 2006), like suppliers, intermediaries, the general public, and obviously, customers, is defined as relationship marketing (Akbar, et al., 2017; Akbar, et al., 2017; Holmes & Jorlov, 2015). The goal of relationship marketing is to build client loyalty so that the relationship can become more secure, mutually lucrative, and long-term.

According to Gronroos, (1994), "Marketing's goal is to profitably create, sustain, and enhance connections with customers and other partnerships so that all entities' objectives are met." This is accomplished through reciprocated exchange and the keeping of capacities" (Maxim, 2009; Taylor, 2013; Volkmann, 2011). The objective of relationship marketing is to improve customers' commitment to the business by providing higher value on a consistent basis at a lower cost. Literature during the last two decades implies that businesses in all sectors would need to adapt their marketing strategies, which will now be carried out through connections, networks, and interactions (Anastassova, 2013; Ionita, 2012; Maxim, 2009). Relationship marketing, on the other hand, has a far longer time horizon. The marketer does not make decisions based on short-term outcomes.

Hypotheses development

The Invisible Hand Theory is applied to the modelling of competitive marketing strategies. The Invisible Hand idea is a concept introduced by Adam Smith in the 18th century and widely recognised by economists today as a way to explain how a free market works. According to the idea, each of us, acting in our own self-interests, creates a demand for products and services that forces others to offer those goods and

services in the most effectual method possible so that they can be compensated and profited. In converse to a procedure that depend on on a centrally managed system, marketers must consider the most efficient way to create the instant relationship in this process. The free focus market is the system in which the Invisible Hand is most typically thought to operate. Consumers select the lowest price, and businesses chose the highest profit rate, according to Adam Smith. Consumers "directed" marketers invest money to the most profitable business, he claimed, by making their excess or insufficient demand known through market prices (Bhatnagar, Kim, & Many, 2014). Such system give management with a constantly rationalized database of its consumers as well as real-time data on consumer happiness and dissatisfaction. Long-term customer connections with consumers who are clearly happy with what in the long-term, the benefits they obtain are more effective.

The research's conceptual model is depicted in Figure 1. The constructions and their interactions are explained in great depth. The explanation's goal is to provide a clearer picture of the conceptual model by contextualizing the components in light of the study's uniqueness and developing working hypotheses for additional empirical verification. The purpose of this study is to compare and contrast specialized marketing and relationship marketing strategies, as well as their individual contributions to business success. The hypothesis provided for each marketing plan is outlined in this section.
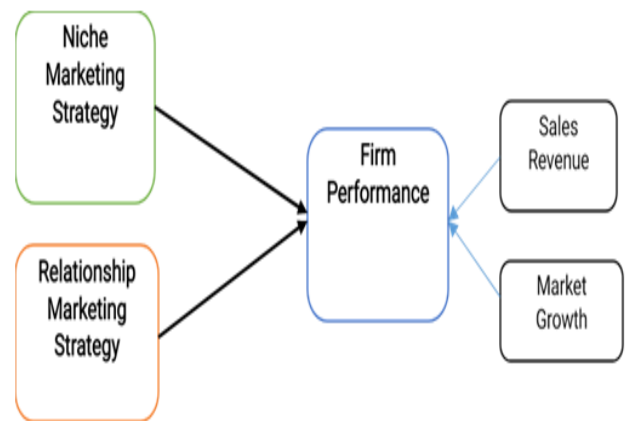
According to Marjanova & Stojanovski, (2012), organisations are more likely to benefit from specialized marketing strategies and improve their performance. Thus ,according to Marjanova & Stojanovski (2012), the direct effect of specialized marketing strategy is influenced by the size of the company (Akbar, et al., 2017). The higher the direct effect of specialized marketing strategy on performance, the smaller the firm (size of business). Whalley, (2010) found that the size of the firm is the largest driver behind firm success in a study of the fisheries industry in Poland SMEs. Because the study's respondents are Malaysian SMEs, it's likely that specialty marketing will have a direct impact on firm performance. Thus, it is hypothesized that:

H1: There is a significantly positive relationship between niche marketing strategy and firm performance.

Although more study is needed to confirm this, the notion described in Sansom & Jaroenwanit, (2016) pioneering research appears contemporary and significant for capturing the customer service and interactivity-focused market that today's SMEs operate in. According to Velnampy & Sivesan, (2012) study of Sri Lankan mobile network franchises, relationship marketing shows a positive significant link with

business performance. Relationship marketing is thought to have a favourable direct effect on firm performance in Malaysia. Thus, it is proposed that:

H2: There is a significantly positive relationship between relationship marketing strategy and firm performance.

Methodology

Research instruments

The indicators for measuring the three (3) components were developed through a literature analysis as well as by changing the original statements in the niche and relationship marketing questionnaires to reflect the study's uniqueness and fit the situation. On a five-point likert scale, respondents were asked to rate the strength and direction of their agreement or disagreement with a series of statements that measure Niche Marketing Strategy (NMS), Relationship Marketing Strategy (RMS), and Firm Performance (FP). In the Malaysian state of Johor, a convenience sample approach was utilized to distribute questionnaires to a total of 190 furniture companies. The questionnaire was administered to the management staff of furniture companies by the researcher and four field assistants. A total of 168
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questionnaires were retrieved, with 147 of them considered to be properly completed and so used for further study. In light of the current study's theoretical model, the sample size was deemed acceptable for PLS-SEM analysis. Table 1 lists the constructs, indicators, and sources from which they were derived. A factor analysis using Principal Axis Factoring (PAF) was undertaken on 22 items employing oblique rotation based on the oblimin direct option. The KMO returned a value of 0.750, which is within the recommended.50 range (Field, 2009). Out of the 24 items originally presented in the first draught questionnaire, 16 were retained after the analysis. As per the results of the factor analysis, the 16 variables can be correctly clustered into four factors: niche marketing strategy, relationship marketing strategy, and firm performance. The reliability analysis revealed that all of the scales were reliable. Cronbach's Alphas for the scales range from 0.790 to 0.950, while corrected item-total correlations range from.610 to.904, indicating that the questionnaire might be utilized to collect data from a wider sample in the main survey

Table 1: Operationalization of the constructs

Construct	Indicators	Sources
Niche Marketing Strategy (NMS)	• Company concentrates its marketing efforts on a segment that have no real competitors or markets. • Company concentrates its marketing efforts on segment sufficient size, to be potentially profitable. • Company targeting segment whose profitability corresponds to a market segment. • Our company targets segment whose profit potential is greater than the costs involved in creating marketing program. • We provide products which are carefully crafted to our customer segment. • Our company targets segment that is large and profitable enough to make it worthwhile for the company. • Your company will continue niche marketing in future.	(Ali, 2011)

Relationship Marketing Strategy (RMS)	• Are you willing to be that there should be a relationship between company and customers? • The company get benefits from developing relationship with customers. • We have find the difficulties in doing development relationship. • Your company ever terminate relationship with existing customers. • Your company listen to customer's problem, and respect customer needs. • The company is open to be offered suggestions/ideas. • The company offers price reduction (discount), to existing customers. • The company is concerned about having satisfied customers. • The company will use relationship marketing in future.	(Ying-Yueh, 2009); (Jalili, 2008); (Sorce, 2002)
Firm Performance (FP)	• Over the last 3 years, relative to major competitors, our company sales revenue has been…… • Over the last 3 years, relative to major competitors, our company's return on investment has been…. • Over the last 3 years, relative to the major competitors, our company's return on assets has been…. • Over the last three years, relative to competitors, our company's overall return on equity has been…. • Relative to major competitors, your company's asset growth has been… • Relative to major competitors, your company revenue growth has been…. • Relative to your major competitors your company's net profit growth has been….	(Akbar, et al., 2020; Akbar, Khan, et al., 2020; Nasir, 2013)

RESULTS AND DISCUSSION

The socio-demographic characteristics, male participants made up 73.1 percent of the sample, while female respondents made up 26.9%. When it came to respondents under the age of 30, the proportion was 26.9%. In terms of age, 43.4 percent of respondents are between the ages of 31 and 39. Respondents aged 40 to 49 years old accounted for 22.3 percent of the total, while those aged 50 and up accounted for 6.9%. High school education accounted for 15.2 percent of the total, with diploma education accounting for 37.2 percent. Undergraduate degrees accounted for 31.0 percent of participants'

schooling, and postgraduate degrees accounted for 16.6 percent. From years 1-4, 33.1 percent of employees reported having worked for the company, whereas from years 5-9, 40.0 percent reported having worked for the firm. Participants in years 10 and up accounted for 26.9% of the total. Since SMEs do not typically have a dedicated marketing department, the bulk of the responses were from the management side, dealing often with marketing challenges.

The PLS-SEM approach was employed to verify the research evaluation model

described in the preceding section. In PLS-SEM, a two-stage approach internal model (measurement model) and subsequently an external model are used to evaluate conceptual and theoretical models (structural model). The fundamental rationale for and purpose of utilizing this approach to validate the model was to statistically assess its performance against known validation criterion for measurement and structural models.

Assessment of the measurement (inner) model

Cronbach's alpha and the internal consistency of composite reliability, convergence validity, and discriminant validity are used to evaluate the measurement model by analysing the reliability of each components. To assess the measurement model, the PLS method is used to validate the construct's reliability and validity, which included convergence and discriminative validity, as well as the loadings of all items in their corresponding constructs (Urbach & Ahlemann, 2012). Each construct's item load and Average Variance Extraction (AVE) values are shown in Figure 2. The outside loadings of the measurement model are shown in Figure 2. The AVEs of all structures are more than 0.50. Despite the fact that the loadings are close to or larger than 0.7, except for three variables, which are more than 0.5, the investigators maintain on the recommendations of (Hair, Ringle, & Sarstedt, 2011).
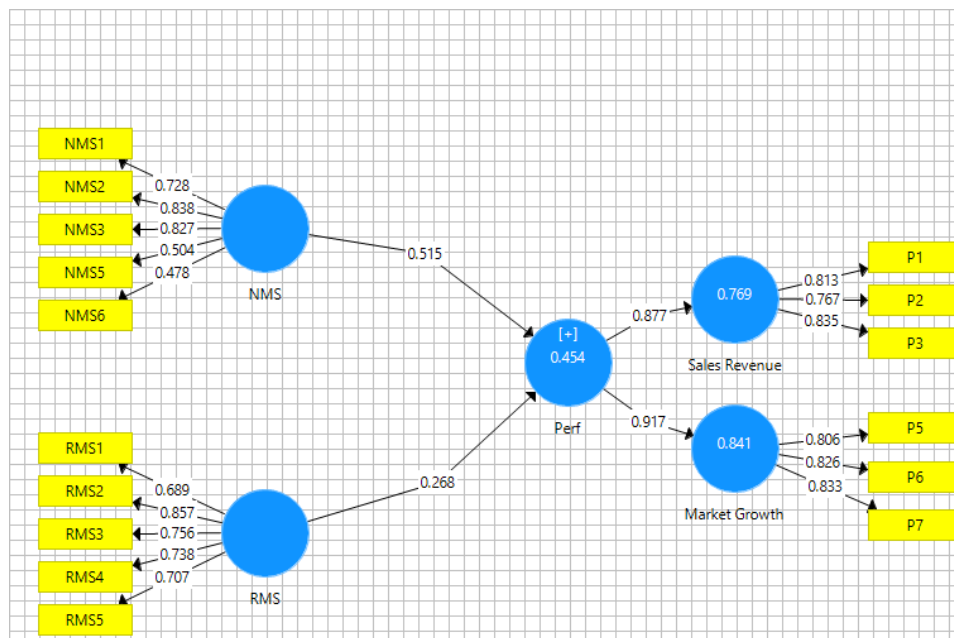

Figure 2: Measurement Model

Individual reliability tests have revealed that the observed variables have attained the specified minimum level ($\lambda \geq 0.70$). As shown in Table 3, these indicators are recognised as being part of their associated structures (Hair, Hult, Ringle, & Sarstedt, 2017). According to a composite dependability (CR) analysis, all values are more than 0.70 (See Table 3). The findings reveal that

the measurement model is internally consistent, and that all observable indices or factors are measuring the latent variables they are supposed to be evaluating (Hair et al., 2011).

Table 3: Reliability and Validity

	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Market Growth	0.760	0.862	0.676
NMS	0.728	0.814	0.580
Perf	0.845	0.883	0.520
RMS	0.806	0.866	0.565
Sales Revenue	0.729	0.847	0.648

The AVE and the number of iterations of the measurement model convergence were examined for convergence validity by verifying the project's factorial load and importance (Akbar, et al., 2020; Hair, Hollingsworth, Randolph, & Chong, 2017; Memon, Ting, Ramayah, Chuah, & Cheah, 2017). To attain convergence efficacy, the element must bear a larger stress on its fundamental build while not bearing a higher load on other structures. The factor load must be bigger than 0.7 to provide acceptable convergence validity (Hair et al., 2017). Likewise, when the AVE value achieves the suggested criteria of 0.5 or greater, items with a lower load but greater than 0.4 are kept, according to Hair et al., (2013). The AVE is a huge average figure that measures the entire square load of the model's items, similar to the constructions' commonality (Hair et al., 2017; 2011). The key premise is that the average correlation among items should be positive. At least half of the measurement models needs to described by model indicators in order for convergence to be effective (Memon et al., 2017). Hence, the criteria for AVE is suggested to be 0.5 or higher (Bryman, 2015; Hair et al., 2011; Pituch & Stevens, 2016; Wong, 2013).

Table 4: Convergent Validity

	Market Growth	NMS	Perf	RMS	Sales Revenue
NMS1		0.728			
NMS2		0.838			
NMS3		0.827			
NMS4		0.504			
NMS5		0.478			
P1					0.813
P2					0.767
P3					0.835

P4			0.722		
P5			0.622		
P6			0.764		
P7	0.806				
P8	0.826				
P9	0.744				
RMS1				0.689	
RMS2				0.857	
RMS3				0.756	
RMS4				0.738	
RMS5				0.707	

The highest factor loads are larger than 0.6, so they are substantial (t-start> 1.96; p-value<0.005), as shown in Table 4. Generally, there still are 4 elements with a lower weight of 0.6, however as mentioned by (Hair et al., 2017), such elements can be maintained if the AVE achieves the acceptable level. In the same way, Figure 2 and Table 3 indicate the measurement models of the AVE for variables niche marketing, relationship marketing and firm performance: 0.580, 0.565 and 0.520. All AVEs are beyond the recommended criteria of 0.5 (Memon et al., 2017; Hair et al., 2011). All element loads of the studied variable's outer load are fewer than 10 .

iterations, significantly below that of the allowed 300 iterations (Wong, 2013). As a result, the research measurement model's convergence validity was ensured.

With regard to discriminant validity, this means that each construct is significantly different from the remaining constructs that are not related according to theory. The square root of the extracted average variance (AVE) (on the diagonally of Table 5) is bigger than the common variance among the construction as well as other model components, as per Fornell and Larker (1981), (In Table 5, there is no records along the diagonally) Mason and Perrault (Mason & Perrault, 1991)

Table 5: Fornell-Larker Discriminant validity

	Market Growth	NMS	Perf	RMS	Sales Revenue
Market Growth	0.822				
NMS	0.558	0.693			
Perf	0.817	0.629	0.721		
RMS	0.453	0.423	0.486	0.752	
Sales Revenue	0.641	0.562	0.677	0.406	0.805

Furthermore, the data indicate also that association among these measures and their own construct is greater than that of other indices whenever the cross-factor load matrix is created (Chin, 2010).

Assessment of the structural (outer) model

The measurement model meets the necessary standards for validity, completing the first stage of the two-part PLS-SEM evaluation process. Collinearity evaluation, significance test of the connection among structural models, R^2 level evaluation, effect size evaluation, and final evaluation of the model's projected correlation are all part of the structural model evaluation process (Hair et al., 2011). Figure 3 shows the structural model's t-values along with the accompanying path coefficients and factor loadings.
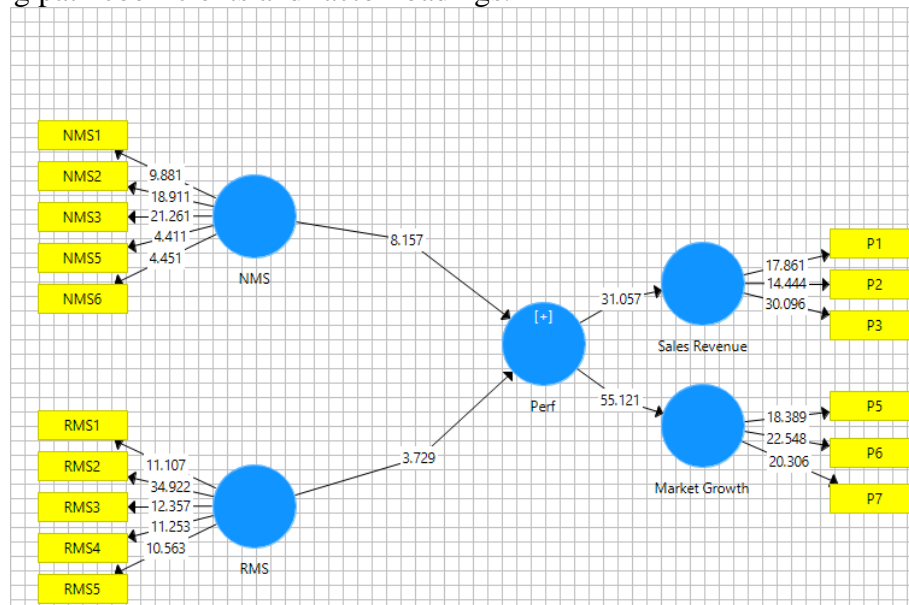

Figure 3: Structural Model

Estimate the hypothetical association among potential endogenous constructs (firm performance) and exogenous constructs niche marketing strategy and relationship marketing strategy through the path coefficients in the structural model. Path coefficients around +1 are thought to show greater positive link, whereas path coefficients near -1 are thought to signify a significantly negative correlation (Hair et al., 2011; 2017). The bootstrapping procedure in Smart PLS-SEM software determines the relevance of path estimate applying the crucial t-value of the significance test with a 5 percent degree of importance (default setting).

Table 6: Path Coefficient

	Beta	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values	*f2*	R^2
NMS -> Perf	0.515	0.063	8.157	0.000	0.400	
RMS -> Perf	0.268	0.072	3.729	0.000	0.108	0.769

Table 6 shows the path coefficients (β) and their respective values of t-values, p-values, and f^2. The utmost certainly substantial path connection is the relationship amongst niche marketing strategy and firm performance (β = .515, t = 8.157, p<.05). Equally, there is also a affirmative important connection among relationship marketing strategy and firm performance, with value of (β = .268, t = 3.729, p<.05).

The maximum R-square value of firm performance of 0.769 indicates that the independent factors in Table 6 can explain 76.9% of the firm's performance difference. As per Cohen, Manion, & Morrison, (2013), R-squared scores in the range of 0.1 to 0.12 can be considered weak, values from 0.13 to 0.25 can be considered moderate, and values of 0.26 or greater are commonly measured significant as a criteria. Because the goal of PLS-SEM is to describe endogenous prospective variation, a greater R-squared is essential.

The $f2$ represents the change in R2 as a result of the exogenous construct being removed from the model. It has been utilized to see how a single external component affects an endogenous construct's R2 value. The effect size is calculated using Cohen's (1988) criteria, with $f2$ values of 0.02, 0.15, and 0.35 indicating small, medium, and large effects, respectively, as indicated in Table 6 2 estimates of the appropriate path connections in the structural model. The outcome shows that, niche marketing strategy and relationship marketing strategy with effect sizes of f^2 =0.400, and $f2$ =0.108 respectively, the last one is marginally lower to moderate result standard but greater than the lesser impact of criteria.

Discussion

The relationship marketing strategy had a substantial positive impact on firm performance (t-statistics=3.729, path weight of 0.268). If prospective owners and managers have the means and confidence to implement a relationship marketing plan, they are more likely to do so. The findings of this study back with prior studies, indicating that relationship marketing strategy has a favourable effect on firm performance. Sorce, (2002), concludes that relationship marketing is not only crucial, but also the most important technique for improving performance. Furthermore, Maxim (2009)'s findings are the most similar to the conclusions of this study, as they discovered that relationship marketing approach has a significant effect on company performance in numerous nations, including Moldova and Transylvania. Companies in Malaysia, on the other hand, think and conclude that relationship marketing has a favourable effect on performance. The P indication for the relationship marketing approach was 0.000, indicating that the strategy had a positive impact on performance. Which is why the hypothesis H2 should be accepted.

The primary goal of this research is to evaluate the most important marketing strategy that has a causal impact on the performance of the furniture manufacturing industry. According to the findings, niche marketing is the most effective and significant technique that has a favourable impact on performance. Whereas, as expected (t-statistics=8.157 with route weight of 0.515), the company's owner and managers are most likely to utilize the niche marketing strategy. This study's findings back up prior studies. For example, niche

marketing approach is shown to be the most effective and influential marketing strategy among the others by (Akbar, et al., 2017a; Choudhary, 2014; Hammervoll, Mora, & Toften, 2015). In regard to performance, the writers of Book Rich in Niche claim that organisations who adopt niche marketing approach have a high level of success. The P value for the niche marketing strategy is 0.000, within the acceptable range. That is why the hypothesis H1 is supported.

Research implication

This study has implications in terms of theory, policy, and practice. Theoretically, the study extends the understanding of how marketing techniques affect small and medium-sized business performance. Though the theory had been implemented in other disciplines of knowledge, this is the first spell the theory has been utilized in the marketing of SMEs in the Malaysian setting, to the author's knowledge.

In the future, research could establish which kind of businesses gain the most from which marketing technique. Customer involvement, as well as highly involved suppliers who are informed about marketing techniques and their impact on business success, should be investigated further.

The research's practical implications include that the findings are especially important to managers who are in charge of formulating and implementing strategies. These findings will aid businesses in determining the success of rational exchange from a business standpoint and developing appropriate marketing strategies as a result.

Conclusion

Smaller companies require marketing in a fashion which is consistent with the peculiarities of small enterprises and appealing to the owner/manager. Current marketing philosophies are of little help to many small businesses in their day-to-day marketing efforts. Several businesses are unintentionally susceptible due to flaws in their marketing strategies. Educators and business owners/managers have extremely distinct, and frequently irreconcilable opinions on this scenario. Educators must determine whatever small business owners and managers require from marketing in general, and marketing training in specifically, as well as how this may be effectively given. In today's highly competitive and continuously changing economy, marketing is becoming a vital feature for organisations. The overall income and profitability of a small business are represented in its marketing orientation and capacity to grasp the market and potential clients. Within the marketing functions, there must be a marketing attitude.

When marketing tactics are implemented correctly, the company is able to expand into new markets. However, it was discovered in this study that SMEs in Malaysia use relatively crude marketing tactics rather than aggressive marketing initiatives. New product development and branding tactics, which are critical for capturing new markets, do not inspire them. It may be argued that they choose marketing ideas and techniques that they believe are most suited to their business operations and will help them reach their business goal, and hence business success. In Malaysia, however, thorough marketing expertise is still lacking. In order to be successful, the company must operate in a manner that is more competitive than its competitors. Individual, social, and long-term marketing practices can all be updated from the marketing notion. The fundamental purpose of this study was to get a deeper understanding of the role and practices of marketing in SMEs in attempt to optimize the formation of marketing tactics for such organisations. It may be established that SMEs owners and managers in Malaysia really have to gain more information and expertise regarding their industry, as well as

comprehend and recognize the value of marketing efforts (adapted for SMEs).

This study adds to the corpus of knowledge in marketing strategies, as well as the impact of marketing strategies on company performance and the ramifications for policymakers, owners/managers, and institutes. The above research provides to the marketing literature by offering a paradigm which represents the connection among niche marketing, relationship marketing, and company performance in this environment. This approach helps you understand niche marketing, relationship marketing, and business performance in greater depth.

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