# Marketing Manager's Perceptions and Their Roles in Measuring Strategic Performance

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## ABSTRACT

The study delves into marketing managers' perceptions of strategic performance measurement and its impact on strategic marketing practices within industrial organizations. It underscores the necessity of a balanced approach to performance measurement that integrates both financial and non-financial metrics, such as customer satisfaction and internal process efficiency, following the Balanced Scorecard framework. The research identifies key challenges, including a lack of consensus among marketing managers on strategic performance concepts and weak implementation of strategic marketing practices. By using Smart PLS v3 on a sample size of 90 participants, employing partial least squares structural equation modelling (PLS-SEM), the results provide actionable insights into improving strategic alignment and cross-functional collaboration in performance measurement systems, ultimately enhancing organizational performance. Recommendations include adopting comprehensive performance systems and fostering a culture of continuous learning and strategic integration across departments.

**Keywords:** Marketings, Strategic Performance, Mangers

## INTRODUCTION

When organizations lack a strategic vision, the effort required to achieve their objectives often doubles, shifting focus from mere planning to actively shaping the future (Abdulhamid, 2010). In such a scenario, it becomes essential for organizations to establish robust performance metrics for the expected outcomes and to continuously develop strategies to exploit opportunities present in the environment (Abdulhamid, 2010). Strategic performance measurement is a critical process that emphasizes achieving a balance in performance assessment by considering both financial and non-financial measures, as well as internal and external stakeholders (Dağdeviren & Yuksel, 2010). This dual focus is crucial because traditional performance evaluation methods often rely heavily on financial data, thereby neglecting other equally important dimensions. This dual focus is crucial because traditional performance evaluation methods often rely heavily on financial data, leading to the neglect of other equally important dimensions like customer satisfaction and employee well-being.

Effective strategic performance measurement should encompass multiple perspectives beyond financial performance, such as customer perspectives, internal processes, and growth and learning (Kaplan & Norton, 1992; Huang, 2009). These dimensions provide a more comprehensive view of organizational performance, making strategic performance measurement an essential tool for developing effective performance measurement systems in companies (Producao, 2006). However, critics argue that focusing on too much.

Many challenges related to measuring strategic performance from a balanced scorecard perspective Firstly, there is a lack of consensus among marketing managers in these companies regarding the concept of strategic performance measurement from a balanced scorecard perspective (Kaplan & Norton, 2001). Secondly, the performance of marketing managers in these companies shows noticeable deficiencies in strategic marketing practices, which may affect the overall strategic direction of the organization (Daft, 2010). Thirdly, most marketing managers priorities evaluating the financial performance of marketing objectives while neglecting non-financial performance activities, which is inconsistent with the principles of a balanced scorecard

approach (Neely, 2007). To address these deficiencies, companies should consider adopting a holistic approach to performance measurement that integrates both financial and non-financial metrics. By incorporating a balanced scorecard perspective, marketing managers can better align their activities with the overall strategic goals of the organization.

Additionally, in industrial companies the lack of strategic performance measurement application is often attributed to a lack of understanding of its dimensions and the prerequisites for its implementation (Anderson & McAdam, 2004). Moreover, there is weak coordination and cooperation among departments in most of the studied industrial companies, which further complicates the strategic performance measurement process (Malina & Selto, 2001). This lack of coordination can lead to conflicting priorities and goals, thereby impeding the overall effectiveness of the performance measurement system. Aligning performance measurement systems with strategic objectives and promoting cross-functional collaboration is crucial for companies to attain thorough and precise evaluations.

The significance of this research lies in its focus on the industrial sector, a vital component of economic growth for many countries. Industrial zones are critical infrastructures that support the sector, making the study of strategic performance measurement particularly relevant. This study fills in the gaps in Arabic research on this subject, especially when it comes to how marketing managers see strategic performance measurement dimensions from the point of view of a balanced scorecard and how that affects their strategic marketing practices (Kaplan & Norton, 1996; Ittner & Larcker, 2003). Furthermore, the industrial sector in Iraq, as a crucial driver of comprehensive and sustainable development goals, is often one of the fastest-growing sectors, emphasizing the relevance of this study. Companies must adapt and align their strategies accordingly in order to remain competitive in this dynamic market. This alignment will ensure their long-term success and sustained growth within the industry, positioning them as market managers.

Practically, this research provides valuable insights into the variations in perceptions among marketing managers across different industrial companies with varying activities and market experiences. Furthermore, implementing the balanced scorecard can lead to better alignment of organizational goals and strategies, ultimately improving overall performance and decision-making processes. By continuously monitoring and adjusting key performance indicators, companies can stay agile and responsive in a rapidly changing market environment.

Hence, this study aims to fill the gaps identified in the field of strategic performance measurement through building a comprehensive understanding of the challenges and opportunities in implementing strategic performance measurement systems in industrial organizations. They also provide a foundation for developing practical solutions that can enhance organizational effectiveness and strategic alignment in a rapidly changing business environment.

- To evaluate the current state of strategic performance measurement systems from a balanced scorecard perspective in the marketing departments of the studied industrial companies.

- To determine the relative importance of marketing managers' perceptions of strategic performance measurement dimensions from a balanced perspective based on the type of industrial activity (goods or services).

- To identify the relative importance of marketing managers' perceptions of strategic performance measurement dimensions from a balanced scorecard perspective, depending on the company's industrial experience (1-3 years, 3-6 years, 6 years or more).

- To analyze the impact of marketing managers' perceptions of strategic performance measurement dimensions in industrial companies.

- To provide a set of recommendations for the studied industrial companies concerning strategic performance measurement systems from a balanced scorecard perspective to develop effective strategic marketing performance measurement systems.

## Marketing Managers' Perceptions

The concept of marketing managers' perceptions involves their understanding and awareness of various dimensions that influence the strategic performance of organizations, particularly when using tools such as the Balanced Scorecard or SWOT analysis (Steve et al., 2012). These perceptions encompass how managers view different factors, such as market research, consumer behavior, and competitive analysis, that impact the success of their marketing strategies. These factors include financial performance, customer satisfaction, internal company processes, and organizational learning and growth.

These perceptions are vital for strategic decision-making, as managers' understanding of these factors significantly influences the development of effective marketing strategies. Managers are better able to develop comprehensive marketing plans that address customer needs and promote sustainable growth when they are aware of the significance of balancing financial and non-financial metrics, as Kaplan & Norton (1996) highlighted. In this context, marketing managers' perceptions serve as a guide that directs efforts toward achieving organizational goals.

From another perspective, marketing managers' perceptions are a strategic tool for enhancing organizational performance outcomes. They help organizations improve adaptability to environmental changes, respond to evolving customer needs, and develop organizational learning capabilities. Ultimately, this leads to better strategic performance for the organization as a whole (Chenhall, 2005). Marketing managers' perceptions can also aid in identifying areas for improvement and innovation within the organization (MARK et al., 2015). By leveraging these insights, companies can stay ahead of competitors and maintain a competitive edge in the market. Hence, three dimensions of marketing managers' perceptions are shown below:

## Marketing Evaluation:

Evaluation is a critical marketing strategy that helps reach each customer segment with an approach tailored to them. It ensures that every segment is assessed to prevent the organization from wasting resources on segments unlikely to purchase its products. Therefore, aligning the characteristics of the marketing segment with the qualities of the product and the company's ability to achieve sales performance objectives is essential. The potential of a market segment can be evaluated by considering the number of potential customers within that segment, their income levels, and the number of people who need the type of product being offered. A market participant is an individual likely to purchase such a product. The total market size is determined by multiplying the number of participants by their purchases. For a market participant to be viable, they must need the product, have the financial capability to pay for it, and desire to buy it. Evaluating the number of such individuals within each segment allows companies to measure the market potential effectively (Lilien & Rangaswamy, 2004).

## Marketing Implementation:

Various types of organizations, particularly startups and small organizations, can significantly benefit from internal marketing techniques. Every business needs some form of marketing, but determining which type is most effective is key. Most traditional marketing methods are either too expensive or impractical for small businesses and startups to employ successfully. This is why internal marketing and its various techniques are practical for any business, especially startups and small companies. According to Kotler & Keller (2016), internal marketing enables these businesses to more effectively and cheaply reach their target audience. By focusing on building strong relationships with employees and empowering them to be brand ambassadors, small organizations can leverage internal marketing to increase employee engagement and customer satisfaction. This approach can lead to improved overall performance and a competitive edge in the market.

## Marketing Design:

Design plays a crucial and pivotal role in determining the success of product or company marketing campaigns. Effective marketing design has several key benefits that contribute to a brand's overall impact and visibility. First, innovative designs have the power to attract audiences and create a positive impression of the

product almost instantly. A company that consistently uses distinctive designs can establish itself as a trustworthy brand, enhancing sales by drawing in customers (Berger & Heath, 2007). Moreover, repeated exposure to unique and creative designs helps in solidifying a company's name within its niche market, making it easier for individuals to recall the brand whenever they see its designs (Aaker, 1996).

Additionally, a well-designed advertisement is a powerful tool for capturing the target audience's attention. It aids in effectively communicating the intended message by carefully considering elements such as fonts, colors, and images. This not only attracts viewers but also helps them engage with the content more effectively (Schultz & Barnes, 1995). Furthermore, good design serves as a means of conveying the brand's message and mission clearly and quickly to the target customers. According to Moor (2007), the color red in a logo may represent vitality and energy, indicating that the business is appealing to a younger demographic.

Intelligent product design and marketing strategies can stimulate reflection and encourage deeper engagement from the audience, fostering a more profound connection with the brand. On the other hand, designs that convey aggressive, negative, or inappropriate ideas can damage the company's reputation significantly (Schmitt & Simonson, 1997). Finally, a well-crafted design can greatly increase audience engagement with the product. Unique and compelling designs often turn customers into brand ambassadors who share their positive experiences with others, thereby expanding the company's reach and influence (Batra, Ahuvia, & Bagozzi, 2012).

## The Concept of Strategic Performance

Valderrama et al. (2009) and Lee and Lai (2007) define strategic performance as "an integrated performance measurement model that links the four dimensions of performance with the company's strategy." Financial perspective, customer perspective, internal business processes perspective, and learning and growth perspective. Strategic performance in a company is achieved by considering all these dimensions together to align with the company's strategy. Others have defined strategic performance as "a management system that assists organizations in turning their vision and strategies into a connected set of strategic goals and measurements." In today's business environment, companies have diversified their evaluation methods beyond financial statements to assess their activities and strategize for the future (Al-Maghribi, 2006, p. 277; Huang, 2009; Hasan & Baskaran, 2022). Thereover, the Dimensions of Strategic Performance shown below:

### Financial:

The financial perspective focuses on evaluating the income generated and the return on investment. It can be assessed through the following indicators: measuring the increase in the company's profits resulting from the marketing department's activities, consistent spending on marketing activities, measuring the revenues generated by the marketing department, determining the market position of the products, and measuring the return on investment in marketing activities.

### Customer:

This dimension focuses on identifying the targeted market segments and measuring the company's success within these segments. Organizations use metrics such as market share, number of new customers, and customer satisfaction to assess this dimension. It can be measured using the following indicators: quick response to customer requirements, understanding the brand image among customers, having a mechanism for handling customer complaints, having a financial plan for building customer relationships, measuring competitors' market share, building value for customers, understanding customer expectations, measuring customer satisfaction, and assessing customer profitability.

### Internal Business Process:

Internal business process focuses on the efficiency and effectiveness of the processes that contribute directly to the creation and delivery of a company's products and services. This perspective is broken down into three key sub-dimensions, the innovation process, the operational process, and the sales delivery service. The innovation

process involves developing new products, services, and processes that align with customer needs and market demands, ensuring that the company remains competitive and responsive. Kaplan & Norton (2001) support this idea. The operational process emphasizes enhancing the quality of manufacturing and streamlining the production workflow to reduce delivery times and optimize cost efficiency. Ittner & Larcker (2003) highlight this strategy. Lastly, the Sales Delivery Service dimension is concerned with providing comprehensive after-sales service and support, which can significantly impact customer satisfaction and retention. Rust, Zahorik, and Keiningham (1995) emphasize this aspect.

**External Customer:**

Refer to the aspects of strategic performance that focus on understanding and enhancing customer satisfaction, loyalty, and overall experience with a company's products or services. This dimension involves assessing targeted market segments and measuring the success of a company in meeting customer needs and expectations. Key indicators within this dimension include market share, customer acquisition rates, customer retention, customer satisfaction levels, and the effectiveness of customer relationship management strategies (Kaplan & Norton, 1996). By concentrating on these elements, organizations can gain valuable insights into their performance from the customer's perspective, fulfill market demands in better time and identify areas for improvement. Understanding external customer dimensions is crucial for aligning business strategies with customer expectations, thereby driving long-term growth and competitive advantage. Regularly analyzing these dimensions allows businesses to adjust their products, services, and customer engagement strategies to fulfill market demands better and maintain a strong position within their industry.

**Hypothetical Framework:**

The study's framework includes the following hypotheses:

**Hypothesis 1:** There is a significant relationship between marketing managers' perceptions of strategic performance measurement dimensions and the type of company activity (goods or services).

**H1a:** There is a significant relationship between marketing managers' perceptions and the financial dimension.

**H1b:** There is a significant relationship between marketing managers' perceptions and the learning and growth dimension.

**H1c:** There is a significant relationship between marketing managers' perceptions and the internal process dimension.

**H1c:** There is a significant relationship between marketing managers' perceptions and the external customer dimension.

**Hypothesis 2:** There is a significant impact of marketing managers' perceptions on strategic performance measurement.

**H2a:** There is a significant impact of marketing managers' perceptions on the financial dimension.

**H2b:** There is a significant impact of marketing managers' perceptions on the learning and growth dimension.

**H2c:** There is a significant impact of marketing managers' perceptions on the internal process dimension.

**H2d:** There is a significant impact of marketing managers' perceptions on the external customer dimension.

**Research analysis:**

The sample was selected using stratified random sampling to ensure representation from industries such as technology and healthcare and company sizes ranging from small startups to large corporations, enhancing the

diversity and representativeness of the sample; the study followed a comprehensive sampling approach involving 90 samples, represented by the unit of analysis for the research. The data collected from the sample was analyzed using statistical software to draw conclusions and make recommendations based on the findings. The research utilized the smart-pls v.3 for data analysis to derive insights into the relationships between variables and to test the validity of the research hypotheses. The following statistical methods were employed: partial least squares structural equation modelling (PLS-SEM) and bootstrapping techniques.

**Evaluation of the Quality and Compatibility of the Scale Used in the Research**

The researchers also conducted a reliability analysis to assess the internal consistency of the scale used in the study. Additionally, a confirmatory factor analysis was performed to validate the measurement model and ensure that the scale accurately measured the constructs under investigation. The results of these analyses indicated that the scale used in the research was both reliable and valid, providing confidence in the study's findings. Overall, these assessments helped to ensure the quality and compatibility of the scale for measuring the variables of interest in the study.

**Evaluation of the Quality and Compatibility of the Marketing Managers' Perceptions Variable Items**

The results indicate high external loadings and a satisfactory Cronbach's alpha coefficient, demonstrating that the scale used for measuring marketing managers' perceptions was of good quality. The 12 items in the marketing managers' perceptions variable were grouped into three main dimensions, as shown in Figure 1. This evaluation boosts confidence in the reliability and validity of the data collected for the marketing managers' perceptions variable, underscoring the robustness of the study.

The composite reliability (CR) values for the marketing managers' perceptions variable, ranging between 0.832 and 0.945, all fall within the acceptable range of 0.70 and above. The results demonstrate a high level of reliability for the dimensions of the marketing managers' perceptions scale, enhancing the credibility of the data collected. Furthermore, the composite reliability values underscore the high consistency in the measurements of the intended constructs, affirming the robustness of the study. All Cronbach's alpha values, ranging from 0.735 to 0.923, exceed the threshold of 0.70, indicating strong internal consistency for the dimensions of the marketing managers' perceptions. This indicates that the dimensions of the marketing managers' perceptions exhibit a good degree of reliability and internal consistency. In conclusion, the results offer robust support for the reliability of the scale utilized in this study, validating its effectiveness in measuring marketing managers' perceptions.

The outer loadings (OL) for the scale items of the marketing managers' perceptions variable, which represent the strength of the relationship between the items and the underlying construct, range from 0.574 to 0.931. This suggests that the items of the marketing managers' perceptions variable were suitable for further statistical analysis, as they demonstrate a strong relationship with the underlying construct. These results bolster the credibility of the scale and affirm its effectiveness in accurately capturing marketing managers' perceptions, further validating the study's outcomes. The average variance extracted (AVE) values for the marketing managers' perceptions variable range from 0.557 to 0.812, all consistently exceeding the threshold value of 0.50 for acceptable AVE. This indicates convergent validity for the dimensions of the marketing managers' perceptions scale, reinforcing the robustness of the scale in accurately capturing the intended constructs. These results substantially boost confidence in the reliability and accuracy of the data gathered from marketing managers, reinforcing the credibility of the study.

All results for the items of the marketing managers' perceptions variable were statistically significant, underscoring the robustness and validity of the findings. The calculated T-values, ranging from 4.052 to 61.194, significantly exceed the critical value of 1.984, indicating the strength of the results. Additionally, the P-values were all 0.000, which was less than 0.05, indicating significance for all items and demonstrating a good indicator of their validity, as shown in Table 1. In summary, these findings suggest that the scale effectively captures marketing managers' perceptions with robust statistical evidence, enhancing the validity and reliability of the study. This significantly enhances the credibility of the data collected, ensuring the reliability of the results and boosting confidence in the study's outcome.
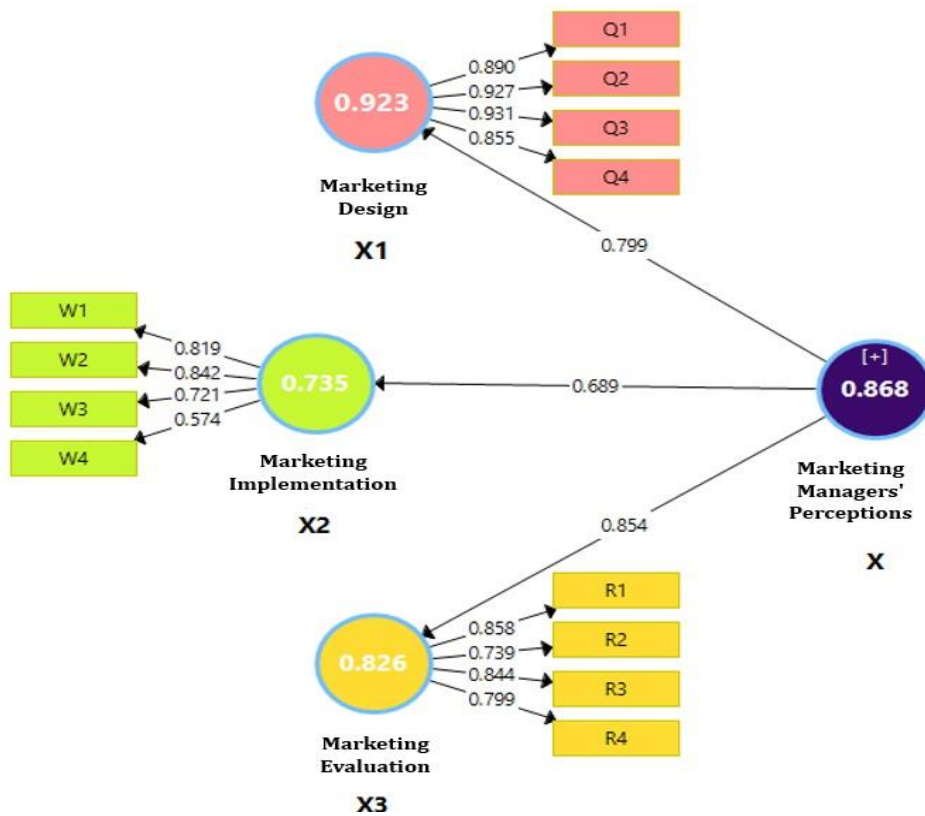
Figure 1 The Model of Marketing Managers' Perceptions

Table (1): Results of Reliability Test, Composite Consistency, and Convergent Validity for the Variable of Marketing Managers' Perceptions

| Dimensions | items | Cronbach's Alpha 4o | (CR) | (AVE) | (OL) | (STDEV) | T-test | P-Value |
|---|---|---|---|---|---|---|---|---|
| Marketing Design | Q1 | 0.923 | 0.945 | 0.812 | 0.89 | 0.028 | 31.73 | 0 |
| | Q2 | | | | 0.927 | 0.015 | 61.19 | 0 |
| | Q3 | | | | 0.931 | 0.021 | 45.36 | 0 |
| | Q4 | | | | 0.855 | 0.031 | 27.42 | 0 |
| Marketing Implementation | W1 | 0.735 | 0.832 | 0.557 | 0.819 | 0.067 | 12.25 | 0 |
| | W2 | | | | 0.842 | 0.067 | 12.53 | 0 |
| | W3 | | | | 0.721 | 0.09 | 8.034 | 0 |
| | W4 | | | | 0.574 | 0.142 | 4.052 | 0 |
| Marketing Design | R1 | 0.826 | 0.885 | 0.658 | 0.858 | 0.027 | 32.3 | 0 |
| | R2 | | | | 0.739 | 0.065 | 11.33 | 0 |
| | R3 | | | | 0.844 | 0.037 | 22.89 | 0 |
| | R4 | | | | 0.799 | 0.039 | 20.43 | 0 |

The strategic performance variable had 16 items across four primary dimensions, as shown in (Figure 2). The result showed the CR were within acceptable ranges, ranging from 0.849 to 0.916, this indicates that the items are very reliable, ensuring the stability of the dimensions of the strategic performance measurement scale. Additionally, all Cronbach's alpha values range from 0.762 to 0.878, exceeding the threshold of 0.70. Therefore, the reliability coefficients for the dimensions of the strategic performance variable demonstrate a high level of consistency.

Furthermore, the outer loading values for the items in the strategic performance variable, ranging from 0.704 to 0.886, as shown in Table 2, indicate that the data for the strategic performance variable is appropriate for

further statistical analysis. Table 2 also displays the average variance extracted (AVE) values for the strategic performance variable, ranging from 0.586 to 0.733, all surpassing the minimum required threshold of 0.50, indicating strong construct validity. This is a positive indicator of convergent validity for the dimensions of the strategic performance scale.

Furthermore, it is clear from Table 2 that all parameter estimates for the items in the strategic performance variable are statistically significant. The calculated T-values, ranging from 8.596 to 40.735, exceed the critical value of 1.984, indicating strong support for the hypotheses. Additionally, the P-values for all items are 0.000, less than 0.05. These results confirm the significance of all items, indicating their validity and robustness. Overall, these indicators demonstrate that the strategic performance variable's measurement scale is reliable and valid, making it highly suitable for further analyses and interpretations within the research context.
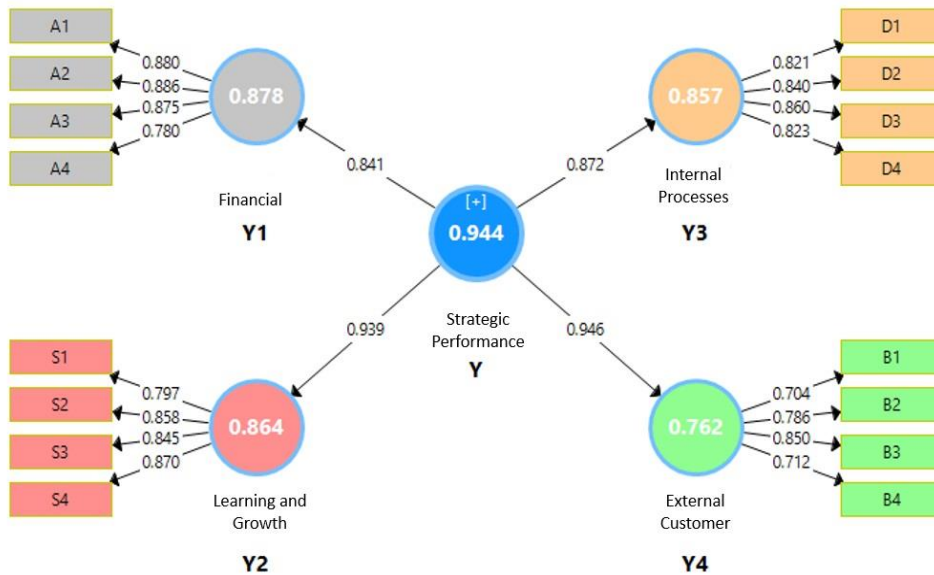


Figure 2 Model of the Strategic Performance Variable

Table (2): Results of Reliability Test ,Composite Consistency, and Convergent Validity for the Variable of Strategic Performance

| Dimension | Items | Cronbach's Alpha | CR | AVE | OL | STDEV | T- test | P-Value |
|---|---|---|---|---|---|---|---|---|
| Financial | A1 | 0.878 | 0.916 | 0.733 | 0.88 | 0.024 | 36.343 | 0 |
| | A2 | | | | 0.886 | 0.022 | 40.735 | 0 |
| | A3 | | | | 0.875 | 0.025 | 34.876 | 0 |
| | A4 | | | | 0.78 | 0.064 | 12.271 | 0 |
| Learning and Growth | S1 | 0.864 | 0.908 | 0.711 | 0.797 | 0.043 | 18.403 | 0 |
| | S2 | | | | 0.858 | 0.024 | 35.284 | 0 |
| | S3 | | | | 0.845 | 0.028 | 30.136 | 0 |
| | S4 | | | | 0.87 | 0.026 | 33.987 | 0 |
| Internal Processes | D1 | 0.857 | 0.903 | 0.699 | 0.821 | 0.039 | 21.273 | 0 |
| | D2 | | | | 0.84 | 0.034 | 24.464 | 0 |
| | D3 | | | | 0.86 | 0.033 | 25.712 | 0 |
| | D4 | | | | 0.823 | 0.046 | 18.047 | 0 |
| | B1 | 0.762 | 0.849 | 0.586 | 0.704 | 0.082 | 8.596 | 0 |
| External Customer | B2 | | | | 0.786 | 0.049 | 15.876 | 0 |
| | B3 | | | | 0.85 | 0.03 | 28.46 | 0 |
| | B4 | | | | 0.712 | 0.065 | 11.015 | 0 |

**Descriptive Analysis of the Research Variables**

**Marketing Managers' Perceptions Variable:**

The highest overall mean for the marketing managers' perceptions variable was observed in the dimension of marketing design, with a mean value of 3.583, This suggests a high level of perception among marketing managers, supported by a standard deviation of 1.048 and a coefficient of variation of 29.247. In the hierarchy of importance, the marketing design dimension was placed third among the six factors considered. On the other hand, the lowest overall mean was found in the dimension of marketing evaluation, with a mean value of 3.322, indicating a moderate level compared to the highest mean value of 3.583 in the marketing design dimension. This dimension had a standard deviation of 0.873 and a coefficient of variation of 26.293, positioning the financial dimension as the second most important. In summary, the general mean for the marketing managers' perceptions variable was 3.474, signifying a moderate level of perception among marketing managers. With a standard deviation of 0.714 and a coefficient of variation of 20.555, this variable stood out as the most important among all variables.as shown in Table 3.

**Strategic Performance Variable:**

As indicated in Table 3, the highest overall mean for the strategic performance variable was in the dimension of internal processes, with a mean value of 3.378, indicating a moderate level of performance. The standard deviation was 0.933, and the coefficient of variation was 27.609, ranking this dimension second in terms of relative importance. Conversely, the lowest overall mean was found in the financial dimension, with a mean value of 3.256, also indicating a moderate level. The standard deviation for this dimension was 0.980, and the coefficient of variation was 30.106, placing it fourth in terms of relative importance. Overall, the general mean for the strategic performance variable was 3.304, indicating a moderate level. The standard deviation was 0.835, and the coefficient of variation was 25.281, ranking this variable second in terms of relative importance among the variables.

Table (3): the Mean, Standard Deviation ,Coefficient of Variation, and Relative Importance for the Research Variables

| Dimension | Mean | Standard Deviation | Coefficient of Variation | Relative Importance |
|---|---|---|---|---|
| **Marketing Design** | 3.583 | 1.048 | 29.247 | 3 |
| **Marketing Implementation** | 3.517 | 0.83 | 23.609 | 1 |
| **Marketing Evaluation** | 3.322 | 0.873 | 26.293 | 2 |
| **Marketing Managers' Perceptions** | 3.474 | 0.714 | 20.555 | first |
| **Financial** | 3.256 | 0.98 | 30.106 | 4 |
| **Learning and Growth** | 3.292 | 0.955 | 29.01 | 3 |
| **Internal Processes** | 3.378 | 0.933 | 27.609 | 2 |
| **External Customer** | 3.289 | 0.866 | 26.329 | 1 |
| **Strategic Performance** | 3.304 | 0.835 | 25.281 | second |

**Hypothesis Testing**

The hypotheses analysis was based on several statistical indicators, including the calculated T-value (T), the coefficient of determination ($R^2$), the adjusted coefficient of determination (Adjusted $R^2$), the marginal slope coefficient ($\beta$), and the predictive relevance ($Q^2$), which indicates the accuracy and predictive power of the model.

The calculated T-value for the estimated model is 27.090, which is greater than the tabular T-value of 1.664 at a significance level of 0.05. This indicates that the marginal slope for the variable of marketing managers' perceptions has a statistically significant impact. Based on this, we accept the hypothesis, which means that there is a significant impact of marketing managers' perceptions on strategic performance at a 5% significance level or a 95% confidence level. This highlights that marketing managers' perceptions have a substantial and positive influence on strategic performance.

The adjusted coefficient of determination (Adjusted R²) of 0.686 shows that marketing managers' perceptions account for about 68% of the variations in strategic performance. The results also show that the predictive relevance (Q²) indicator is 0.359, which being greater than zero, indicates that the model has meaningful predictive relevance.

Moreover, the value of the adjusted coefficient of determination (Adjusted R²) for the dimensions "Marketing Design," "Marketing Implementation," and "Marketing Evaluation" is 0.694. This suggests that these dimensions account for approximately 69% of the variations in strategic performance. The results also show that the predictive relevance (Q²) for these dimensions is 0.369, which is greater than zero, confirming that the model has predictive relevance.

The T-values for the dimensions "Marketing Design," "Marketing Implementation," and "Marketing Evaluation" are 3.016, 4.605, and 7.442, respectively, all indicating significant relationships with strategic performance. All these values, surpassing the tabular T-value of 1.664, strongly signify the statistical significance of the marginal slopes for these dimensions.

The marginal slope coefficient for the "Marketing Design" dimension is 0.220, indicating that an increase of one unit in the "Marketing Design" dimension would lead to a 22% increase in strategic performance. Similarly, the marginal slope coefficient for the "Marketing Implementation" dimension is 0.280, indicating that a one-unit increase in the "Marketing Implementation" dimension would lead to a significant 28% enhancement in strategic performance. Finally, the marginal slope coefficient for the "Marketing Evaluation" dimension is 0.528, suggesting that a one-unit increase in the "Marketing Evaluation" dimension would result in a notable 52% increase in strategic performance. Table 4 and Figure 3 present the statistical indicators for testing the hypotheses between the dimensions of marketing managers' perceptions and strategic performance.
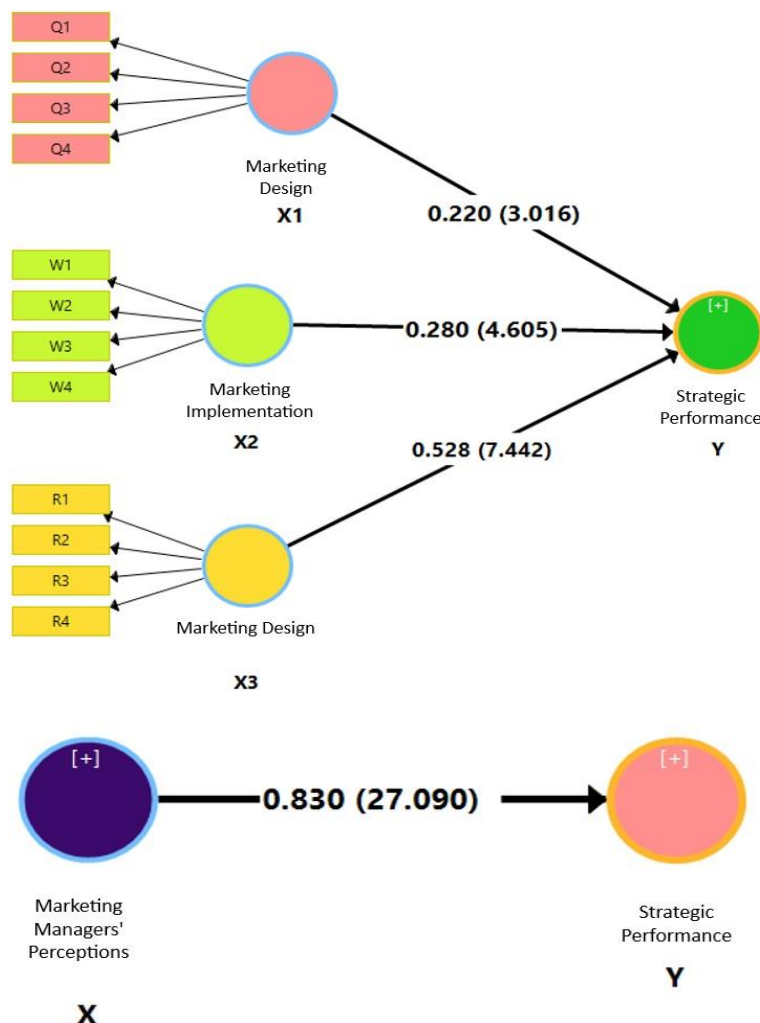


Figure 3 The Impact of the Dimensions of Marketing Managers' Perceptions Combined on Strategic Performance

Table (4): Statistical Indicators of the Combined Dimensions of Marketing Managers' Perceptions on Strategic Performance

| Dimension | β | T | P Values | $f^2$ | $(R^2)$ | Adjusted $R^2$ | $Q^2$ | Result |
|---|---|---|---|---|---|---|---|---|
| Marketing Design | 0.22 | 3.016 | 0.003 | 0.124 | 0.704 | 0.694 | 0.369 | yes |
| Marketing Implementation | 0.28 | 4.605 | 0 | 0.196 | | | | yes |
| Marketing Evaluation | 0.528 | 7.442 | 0 | 0.58 | | | | yes |
| Marketing Managers' Perceptions | 0.83 | 27.09 | 0 | 2.217 | 0.689 | 0.686 | 0.359 | yes |

# CONCLUSIONS AND CONTRIBUTIONS

This study presents key findings on measuring strategic performance and its relationship with research variables. Studies have explored strategic performance in various contexts, including company operations, services, products, information systems, and ownership structures in the public and private sectors (Kaplan & Norton, 2001). These studies also delve into the relationships between these factors and others like organizational growth, performance improvement, customer development, organizational structure, control systems, and information systems departments (Ittner & Larcker, 2003). This study's empirical contribution lies in its comprehensive examination of these diverse variables and how they interact to influence strategic performance. This approach provides a holistic understanding of the factors that impact an organization's ability to implement and sustain strategic performance effectively.

Furthermore, significant research on strategic performance has been conducted in the accounting domain. This is largely due to the perception that accounting dimensions, like financial performance indicators, serve as primary tools for measuring strategic outcomes. However, this study contributes theoretically by challenging this narrow focus and emphasizing the need to expand the understanding of strategic performance beyond financial metrics (Kaplan & Norton, 1996). It encourages a broader perspective that incorporates non-financial indicators to capture a more complete picture of an organization's strategic health.

Furthermore, the study notes a gap in the marketing literature, where relatively few studies have examined the perceptions of marketing managers and their impact on strategic marketing practices. This study contributes empirically by filling this gap, providing insights into how marketing managers' perceptions shape strategic marketing efforts and outcomes (Chenhall, 2005). Integrating these findings into the strategic performance framework enhances the understanding of how managerial perceptions drive strategic success.

# RECOMMENDATIONS AND PRACTICAL IMPLICATIONS FOR ENHANCING STRATEGIC PERFORMANCE

The findings suggest several practical recommendations to improve strategic performance in organizations. Primarily, marketing managers in industrial companies should integrate non-financial measurement systems when evaluating the company's performance. Non-financial metrics, such as customer satisfaction, internal process efficiency, and employee development, provide a more comprehensive assessment of strategic success beyond mere financial outcomes (Kaplan & Norton, 2004). This alignment can help businesses align their performance measures with their strategic objectives.

Secondly, senior management should prioritize adopting strategic performance practices and engage marketing managers in designing and implementing these practices at the company level (Simons, 2000). This approach allows companies to establish a more cohesive and aligned strategic framework that integrates both financial and non-financial performance indicators, resulting in more effective decision-making and strategy execution.

Third, it is critical to learn from the experiences of other businesses that have successfully implemented strategic management concepts. Understanding the challenges these companies faced, the strategies they used

to overcome them, and the benefits they derived can provide valuable insights (Bryson, 2018). Promoting an organizational culture that prioritizes employee training through seminars, workshops, and other forms of knowledge sharing can help build a deeper understanding of strategic management practices and their importance. This approach can also help in disseminating best practices across the organization, thereby enhancing overall strategic alignment.

Fourthly, companies must recognize that achieving future goals depends on adopting comprehensive strategic performance systems. Establishing a strategic marketing information system to collect and analyze data on the internal and external environments surrounding the company is essential (Rust, Moorman, & Bhalla, 2010). This system should help identify key factors influencing the efficiency and effectiveness of the strategic performance framework, enabling companies to make data-driven decisions that support long-term success.

Lastly, it is imperative to identify and address the factors and obstacles that impede the application of strategic performance systems. Developing the skills of all employees in the company's marketing departments through specialized training courses in strategic management is necessary (Ulrich & Brockbank, 2005). Such initiatives not only improve employees' competencies but also ensure that they are well-equipped to contribute effectively to the company's strategic objectives. By fostering a learning environment and enhancing strategic capabilities, organizations can navigate business complexities and maintain competitive advantage effectively.

**Theoretical and Empirical Contributions**

A significant theoretical and empirical contributions to the field of strategic management and marketing. Theoretically, it expands the discourse on strategic performance by advocating for a broader approach that incorporates both financial and non-financial dimensions (Neely, 2007). It challenges the predominance of accounting-based measures in strategic performance assessment and introduces a multidimensional perspective that better aligns with contemporary business challenges.

Empirically, the study provides valuable insights into the perceptions of marketing managers and their influence on strategic marketing practices. It fills a notable gap in the marketing literature by empirically examining how managerial perceptions can impact strategic outcomes (Day & Moorman, 2010). The findings suggest that a more comprehensive and inclusive approach to strategic performance measurement can lead to more effective strategy formulation and execution, ultimately enhancing organizational success. By bridging the gap between theory and practice, this study offers a robust framework for future research and practical application in the fields of strategic management and marketing.

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