

## RESEARCH ARTICLE

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## Designing New Strategic Reference Points for Elucidating Lock-In Marketing Strategy Using Thematic Analysis

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### Abstract

Market strategy design involves the analysis of market position, identification of market opportunities, and understanding the strengths and weaknesses of an organization. It aims to create favorable competitive conditions by defining different market segments. In recent years, researchers have made efforts to develop models that can effectively determine ideal marketing strategies and promote their alignment and synergy at the organizational level. This study aims to design a comprehensive marketing strategy development and alignment model, which has been relatively understudied in academic research. The conceptual model and new strategic reference point of this article has been Elucidating for the first time using thematic analysis and the concepts of the delta model. The present research builds upon the Strategic Reference Points (SRP, S) theory and utilizes thematic analysis to formulate a new framework and strategic reference points for an industry-specific marketing strategy. It also addresses the coordination between marketing strategies at both the business and corporate levels, employing the Delta model. In this research, based on the theme analysis methodology, new strategic reference points have been identified, which will be suitable for the power plant industry. A thematic network analysis was conducted based on interviews with industry experts. The research findings identified key dimensions of strategic reference points and provided theoretical and operational definitions of the power industry concept. These dimensions, namely "customer engagement" and "switching costs," were incorporated into the final model design. Leveraging the Delta model, the study resulted in the formulation of the Lock-in marketing strategy model. The research findings and the proposed model offer valuable insights and practical strategies to overcome current industry challenges, enhance agility, and facilitate effective decision-making in the field.

**Keywords:** *Strategic reference points, thematic analysis, Delta model, Lock-in marketing strategy*

### Introduction

In today's competitive world, customers are at the forefront of companies' attention, and their satisfaction is the key driver of organizational competitive advantage. Meeting customers' needs comprehensively and accurately by identifying their desires, expectations, preferences, capabilities, and limitations in purchasing products and services is essential (Shahali, 2017). Considering that the power industry in Iran has achieved desirable development compared to the global average due to two

decades of intelligent investment, sufficient attention to the service aspect is necessary to enhance the attractiveness of this industry. On the other hand, resource constraints resulting from the economic recession and government financial problems have made services play a more prominent role as an alternative solution to the construction of new power plants. In these circumstances, currency fluctuations, price increases of production inputs, and service delivery, combined with stagnant electricity selling prices, have reduced the feasibility of service

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projects in the power industry. In such conditions, adopting an effective market-oriented strategy based on strategic reference points, considering all influencing factors, can be a solution for this industry. Therefore, this article aims to determine an optimal marketing strategy by presenting a thematic analysis and designing new strategic reference points.

Over the past decade, researchers have presented numerous frameworks to provide ideal marketing strategy templates. Most of these models are designed based on a top-down rational model. Rational models present a one-sided relationship from top to bottom. Critics, although considering these models as logical, perceive them as unrealistic and argue that the requirements determining marketing strategies are not exclusively top-down strategies, but rather other factors (such as environmental factors) that contribute to the formulation of effective marketing strategies. Incremental models introduce an interactive and two-way relationship and are also known as natural models (bottom-up). Recently, a combined approach of the rational and natural approaches has been proposed, which has created compatibility between these two approaches. This new approach is called the Theory of Strategic Reference Points and suggests that by identifying strategic reference points that have a significant impact on organizational activities and performance, organizational elements (structure, culture, technology, and strategy) can be designed based on them. Unlike operational goals and reference points, strategic reference points resemble strategic patterns and criteria because they are employed to develop core competencies at the system or organizational level to assist the company in achieving a sustainable competitive advantage (Feigenbaum et al., 1996).

### **Literature Review: Strategic Reference Point Theory**

The Strategic Reference Points (SRP) Theory, proposed by Bower and colleagues in 1996, is one of the latest advancements in

strategic management. In 2000, Peter Bamberger and Liam Meshoulam further expanded the theory by introducing a comprehensive model grounded in the principles of combinatorial research. The SRP theory addresses a classic challenge in strategic management, which revolves around achieving and sustaining alignment between external (environmental) demands and internal (organizational) resources. A reference point serves as a benchmark against which all measurements and decisions are evaluated (Eskafi, 1384). Understanding strategic positioning necessitates the identification of two reference points within the organization. The Strategic Reference Points theory combines rational and naturalistic perspectives, ensuring compatibility between these two approaches. By establishing pivotal criteria and determining the overall priorities of the system, it guides stakeholder groups based on the desired principles and foundations (Viggenbaum et al., 1996).

The Strategic Reference Point Theory asserts that by identifying strategic reference points that significantly influence an organization's activities and performance, strategic decisions can be made. In other words, strategic reference points facilitate coordination, enabling comprehensive alignment when all organizational elements and systems are synchronized with them (A'rabi, 1386). These reference points serve as objectives and benchmarks that managers utilize when evaluating alternatives, making strategic decisions, and communicating organizational priorities to key individuals within the system (Bamberger & Viggenbaum, 1996).

Different theorists have identified specific reference points crucial for organizational success based on their respective perspectives. These reference points include cost reduction (Porter, 1980), quality (Emayee, 1986), speed (Astack & Hould, 1990), innovation (Foster, 1986), customer needs (Ohmayeh, 1988; Peters, 1987), and stakeholders (Henderson, 1990). Some theorists have employed

multidimensional and combined strategic reference points, resulting in the emergence of diverse strategic types and variations. Noteworthy examples of strategic reference points in management literature encompass:

- Presenting four paradigms for analyzing theories in the social sciences, including organizational and management theories, employing two reference points: philosophical and sociological change assumptions, as proposed by Burrell and Morgan (1979).
- Combining three perspectives on theoretical patterns within organizations and providing a framework for categorizing organizational and management theories, utilizing two reference points: the type of organization and the type of system, as suggested by Richard Scott (2003).
- Proposing an efficiency model and a set of values using two reference points: organizational focus and the degree of control, as developed by Richard Hall (2001).

### **Strategic Reference Points and Strategy Articulation**

The literature on strategy encompasses a significant discussion regarding the relative importance of organizational capabilities versus market competition in shaping strategy, structure, and performance. Surprisingly, consensus on this matter remains limited. Henderson and Mitchell (1997) contend that comparing the impacts of firm-level and industry-level factors proves futile for two primary reasons. First, both market positioning and organizational capabilities play crucial roles in performance, although these roles are theoretically distinguishable, their practical implementation presents significant challenges. Second, organizational capabilities, strategy, and structure are essentially internal in nature. Consequently, the bidirectional interactions between the market environment and firm decisions serve

to shape strategy and performance across multiple analytical levels (Javalgi et al., 2006).

Likewise, within the realm of international business, a fundamental question arises concerning the predominant driver of organizational success: the resemblance to the target market (an external factor) or the interplay between strategy and structure (an internal factor) within the company. Advancements in marketing necessitate embracing a comprehensive approach whereby all these elements are concurrently and dynamically determined. Moreover, the theory of strategic reference points must be synergistically integrated with a system of competitive interactions, operating simultaneously and dynamically. Companies can proactively design their strategies and structures in response to environmental demands while simultaneously developing strategic reference points that align with both internal and external contexts. Nonetheless, the process of establishing strategic reference points may impose constraints on the organization's ability to swiftly and effectively respond to changes in the competitive environment. Both internal and external factors serve as drivers of strategic reference points and ultimately influence firm performance. Furthermore, these key dimensions intricately interact and engage in mutual relationships at both the organizational and environmental levels. Hence, companies cultivate their strategic reference points, which, in turn, exert an impact on their organizational capabilities, market environment, and, ultimately, their overall performance (Javalgi et al., 2006).

### **Thematic Analysis**

Thematic analysis is a recursive and iterative approach that encompasses both backward and forward movement across its six distinct stages (Braun & Clarke, 2006). Additionally, it is a longitudinal process conducted over time. This method proves valuable for a wide range of research interests and theoretical perspectives, serving as a

fundamental and practical tool. Firstly, it demonstrates applicability across an extensive spectrum of research inquiries, from exploring individual experiences and perceptions to investigating the representation and emergence of specific phenomena within distinct domains. Secondly, it facilitates the analysis of diverse data sources, including secondary materials such as media artifacts, interview transcripts, and focus group records. Thirdly, it accommodates datasets of varying sizes, ranging from small-scale to large-scale. Lastly, it enables the generation of data-driven or theory-driven analyses (Braun & Clarke, 2006).

While thematic analysis is commonly associated with a realist or essentialist framework, according to Braun and Clarke, a robust thematic analysis surpasses mere data reporting. They contend that it involves the construction of an interpretive narrative that elucidates the data's meaning about the research question. Braun and Clarke (2006) present a systematic and sophisticated approach to thematic analysis that has gained substantial traction. Their six-stage model encompasses the following steps: familiarizing oneself with the data, generating initial codes, searching for themes, reviewing themes, defining and naming themes, and ultimately, composing the report.

### **Delta Model and Lock-In Marketing Strategy**

The most effective contemporary strategic framework introduced by Porter identifies two specific approaches to global competition: cost leadership and product differentiation. However, research conducted by the Massachusetts Institute of Technology's Institute for Technology has

presented a novel model known as the Delta Model, which offers three strategic options for achieving better competition in the global arena: the best product, customer solutions, and a lock-in system (Hax, A. & Wilden, L. 1999; Hax, A. & Wilden, L. 2000).

The "best product" strategy is based on shaping competition, achieving cost leadership, and product differentiation. This strategy centers on the economic aspects of the product. According to this approach, companies can compete in the market by either producing a product with the lowest cost or developing products with distinct features that set them apart from others (Hax, A. & Wilden, L. 2000). The "customer solutions" strategy is based on providing an extensive range of products and services in such a manner that, even if it cannot meet all customer needs, it can at least satisfy the maximum possible. The primary focus of this strategy lies in customer economics. A company can respond to specific customer needs by offering diverse categories of products and services. Thus, the primary criterion for evaluating performance becomes market share. In other words, companies must strive to be as close as possible to their customers through customer satisfaction or product customization (Hax, A. & Wilden, L. 2000). The "lock-in system" strategic option has a broader scope compared to the previous two strategies. In this strategy, rather than focusing narrowly on the product or customer, the company considers all significant organizations within the system that contribute to creating economic value. Based on this strategy, companies aim to nurture, attract, and retain complementary elements within the industry (Hax, A. & Wilden, L. 2000).



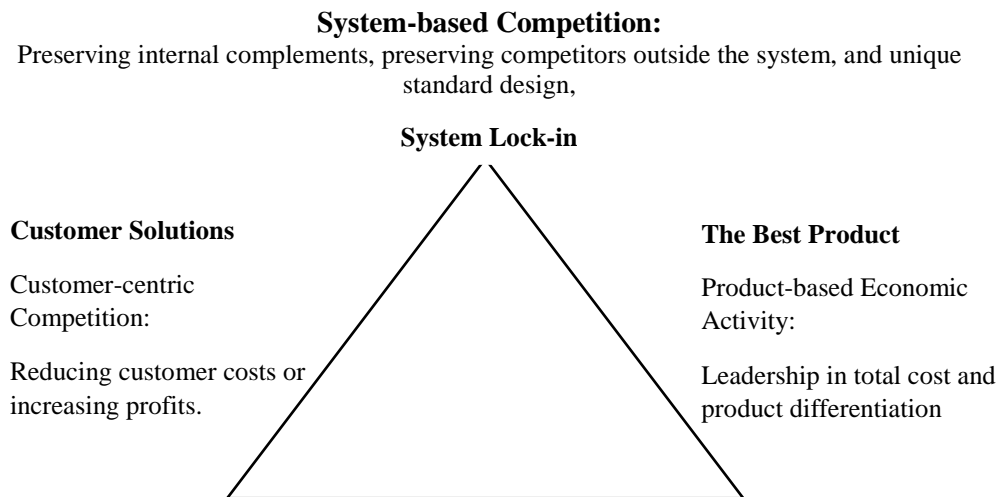


Figure 1. Delta triangle for lock-in marketing strategy

### Research Background

Some of the studies conducted in the field of strategic reference points are not directly focused on marketing strategy. They may instead explore market structures or marketing behaviors. However, the models utilized in these studies to explain, integrate, and coordinate strategies primarily fall into the categories of rational and natural patterns. The only research that specifically addresses the elucidation and design of a model for formulating marketing strategies based on strategic reference points is an article that applies strategic reference points and selects two dimensions: market focus and competitive intensity, to devise an appropriate strategy (Nabidahghan, 2009). This study introduces a mathematical model based on prospect theory that delineates individual decision-making and subsequently delves into organizational decision-making, including the strategic coordination process. Other research conducted in this domain encompasses:

#### A) Foreign Research on Strategic Reference Points:

1. Daniela Patricia Blettner, Simon Gollisch (2022) the role of reference points and organizational identity in strategic adaptation to performance feedback.

This study aims to elucidate reference points and organizational identity in letters to

shareholders (LTSs) of publishing companies and develops propositions on their relation to strategic adaptation. This study examines how characteristics of reference points (number, temporality and specificity) and organizational identity (focus, discontinuity and distinctiveness) relate to strategic adaptation. This research advances performance feedback theory and behavioral strategy by presenting rich data on how managers use reference points. This study also theorizes on the role of organizational identity as an observation frame. Finally, this study informs managers on how they can adapt reference points and organizational identity to drive strategic adaptation in their organizations.

2. Parz, G., Ana Maria, J., Jens Stoetzer, V., and Vanessa et al. (2014) "Strategic Reference Points, Risky Choices, and Strategies in Small and Medium Enterprises." *Journal of Business Economics and Management*, Volume 2014.

This study elucidates the process by which companies make strategic decisions, emphasizing the pivotal role of managers and their cognitive perceptions. For instance, prior research has explored the market structure and marketing behaviors (e.g., Tang and Dass, 1999; Peteraf and Helfat, 2014). In particular, this study contributes to the strategic management literature by bridging two theoretical frameworks: the vision-based

approach (Cannon, Trosky, 1979) and the Strategic Reference Points (SRP) theory (Feigenbaum et al., 1996).

3. Ana Maria Garcia-Perez, Vanessa Yanes-Estevez, Juan Ramon Oreja-Rodriguez (2013): Strategic reference points, risk and strategic choices in small and medium-sized enterprises.

Strategic choices depend on how the decision maker perceives the situation in relation to the reference and the risk being taken. Applying Rasch models to a sample of firms in the Canary Islands (Spain), the results show that SMEs that are more influenced by external references take higher risks. These enterprises differ in their strategic choices from those that do not focus on external references in the greater importance they attach to market diversification. This study is pioneer in considering the internal and external dimension of references that SME managers have in mind and linking them, via prospect theory, to the risk they take in their strategic choices.

4. Jay Harvey, Michael, Timothy S. Keiningham, and Ar Glen Ricchiute (2008) "The Global-Social Perspective in Marketing: Applying the Strategic Reference Point Theory." *International Journal of Marketing Research*.

The primary objective of this article is to motivate international business scholars and managers to pay greater attention to the global-social dimension when conducting research and developing business strategies. The Strategic Reference Points (SRP) theory serves as a foundational framework to facilitate the conceptualization of global-social time. Building upon these foundational principles, the authors put forth specific recommendations regarding the significance of this topic, despite its limited consideration in international research from Hofstede's era to the present. Time, as a strategic tool, significantly varies between marketing management and global market management. The concept of time can assume diverse connotations contingent upon the strategic reference points unique to each organization

as it pertains to measuring social performance. Cultural variances necessitate a flexible approach to global social time, which effectively contributes to the development and implementation of global marketing strategies. The objective of this research is to expand the notion of time to encompass its fundamental social dimensions and devise stages of strategic implementation utilizing time as a competitive instrument within the realm of global marketing.

#### **B) Domestic Research Utilizing Strategic Reference Points in the Marketing Field:**

1. Hamed Dehghanan, Vahid Kasheh varnamkhasty, Mehdi Yazdanshenas, Mojtaba Mohseni (2023): Identify Strategic Reference Points for Outsourcing Human Resource Subsystems in the Domestic Air Transportation Industry. The current research is of a mixed type and was conducted in two qualitative and quantitative stages. The qualitative stage was conducted by thematic analysis method and the statistical population of the research was made up of managers and experts in human resources fields of Homa Qualitative stage data were collected through semi-structured interviews and theoretical saturation method and coded in three stages. In the quantitative stage, data were collected through a researcher-made questionnaire. The statistical community of this stage is made up of selected experts. In the qualitative phase, the strategic reference points of human resources sub-system outsourcing were determined, including supply market capabilities, increasing quality, focusing on core activities, and reducing costs.
2. Siadati, S., Tarokh, M. J., and Ghazati, A. (2012). "Development of Strategic Human Resource Management Based on Strategic Reference Points in Fava

- Organizations." Ninth International Industrial Engineering Conference.
3. Dehdashti Shahrokh, Z. (2011) "The Internal Coordination Pattern of Communication Strategies and Subsystems with Organizational Performance: A Case Study of the Oil Industry" Ph.D. Dissertation, Allameh Tabataba'i University.
  4. Heydari, M. (2009). "Formulating and Examining the Impact of Mixed Marketing Strategies on Increasing the Sales of Consumer Goods Using the Strategic Reference Points Marketing Model: A Case Study of Tolid Pars Company." Payam Noor University, Tehran Province.
  5. Arabi, S. M., and Rezvani, H. R. (2007). "The Relationship between Business and Proper Marketing Strategies with Organizational Performance: A Study on Tamin Pharmaceutical Investment Company." Iranian Journal of Management Sciences, spring 2007, No. 5, pp. 71–97.

### Research Methodology

The present study adopts a qualitative approach, grounded in the assumptions of strategic reference points, as the initial guiding framework. The research focuses on the power industry, and data collection involves semi-structured interviews with an emphasis on an exploratory approach (Kvale, 1996). To explore the concepts related to policy-making and evolutionary economics, a qualitative research design is deemed necessary. Qualitative research generally refers to investigations where findings are not obtained through statistical processes or quantitative measures. Thematic analysis using thematic networks (Attride-Stirling, 2001) is employed as the data collection tool for analysis. In this regard, the study follows six steps (adapted from Clarke and Braun, 2006): familiarizing with the data, generating initial codes, identifying themes, reviewing and refining themes, creating a thematic analysis map (both initial and developed),

and finally producing a report and a strategic reference point map.

As previously stated, and considering the non-quantitative nature of the data, the emphasis in data collection is placed on words rather than quantities, aiming to identify new items of strategic reference points. Therefore, this research is categorized as a "qualitative study" in terms of data type. The management of the target company recognized the importance of investigating this research area and embarked on identifying strategic reference points. Thus, given the objective of identifying strategic reference points in the power industry, the research can be considered practically oriented as it addresses an existing issue within the organization and its findings can be directly applied within the studied organization. Due to the inherent exploratory nature of qualitative research and in alignment with the primary research question, this study is classified as exploratory. The exploratory nature of the research stems from the limited available information, particularly in internal research, regarding the subject matter. Consequently, preliminary groundwork is essential to gather prerequisites for future quantitative and qualitative investigations in this domain.

Organizing qualitative research involves employing various analytical methods. One of these strategies is thematic analysis, which aligns with the present article's focus on pattern recognition through collecting, categorizing, conceptualizing, and evaluating diverse topics within the realm of science and technology policy, employing an evolutionary perspective. Although there are different procedures for conducting thematic analysis, they generally share three common stages: data collection and description, organization and arrangement, and finally interpretation and representation. Accordingly, the present study adopts the simple Venn diagram model and structures the research report accordingly. This model delineates three distinct stages: description, analysis, and interpretation. The target population of the research comprises senior

managers in the power industry who have been associated with companies within the Mapna Group. For the qualitative segment, purposive sampling using a snowballing strategy is employed. This sampling method entails determining the sample size or the number of individuals to be interviewed based on the theoretical saturation of the research questions, meaning that data collection continues until no new information emerges. In the quantitative section, systematic random sampling is utilized. In line with the research variables, appropriate indicators have been selected and applied in the fields of construction, production, and services. After conducting 21 interviews and analyzing organizational documents, the researcher concluded that no further substantial information could be gleaned. Overall, based on the analysis of the interviews and examination of the documents, it can be inferred that the pertinent indicators about strategic reference points in the studied organization are as follows: Consequently, the study's findings identified nine dimensions relevant to the identification of new strategic reference points, which encompass the following facets: 1) product engineering, 2) product quality, 3) product efficiency, 4) distribution channels, 5) ancillary products, 6) customer loyalty and retention, 7) innovation in products and services, 8) after-sales services, 9) sale of ancillary products, 10) distribution capabilities, 11) financial management, 12) enhancement of communication channels, 13) total cost management, and 14) provision of focused value propositions. Subsequently, based on these 14 derived themes, two strategic reference points were selected and introduced, taking into account the specific industry under study: (1) customer engagement and (2) switching costs.

The identified themes in this study exhibit the following characteristics: in terms of theme cognition, they fall under the category of final themes (Reynaud & Bernard, 2003); about the nature of themes, they can be classified as interpretive (Horrocks & Kingo, 2010); concerning the

hierarchical structure of themes, they are considered primary themes (King, 2004; Ryan & Bernard, 2003); about the position of themes within the thematic network, they encompass all three types: basic, organizing, and global (Sterling, 2001); in terms of the format of theme observation in the text, certain themes are implicit while others are fully explicit; regarding the sources for theme identification, they are data-driven (Brown & Clarke, 2006); in terms of the role of themes in analysis, they exhibit both integrative and overarching characteristics (King & Harrocks, 2010); and finally, in terms of theme stabilization, they are considered fixed themes (W. Richard Scott, 2008).

To ensure the credibility of narratives obtained through interviews, it is necessary to examine the entire research process. Kuzmanić suggests that this process can be divided into four stages, although many researchers have focused on only two stages. The first stage involves data generation, which serves as a criterion for assessing validity. The second stage involves the presentation and interpretation of data, which represents another aspect of validity. In other words, there is a distinction between evaluating the validity of the methodology used and interpreting the collected data. Additionally, Kuzmanić emphasizes the significance of data preparation and transcription in addition to data generation and interpretation. Although these aspects may appear trivial, they play a vital role in the research process and its validity. By "data preparation," Kuzmanić refers to the importance of understanding the theoretical underpinnings of the interview topic. This implies that researchers should have a solid grasp of the theoretical and epistemological foundations relevant to their research area. It is also crucial for researchers to acknowledge that certain valuable information may be lost during the process of transcribing spoken data into written text (Kuzmanić, 2009).

Most qualitative researchers employ the concept of "trustworthiness" rather than relying on the traditional quantitative criteria of validity and reliability to evaluate the



quality of their qualitative findings. Trustworthiness encompasses the extent to which the findings of a qualitative study can be considered reliable. Guba and Lincoln (1985) propose four distinct but interconnected criteria for trustworthiness: credibility, conformability, transferability, and dependability. Credibility refers to the researcher's ability to establish trust with participants and gain access to their authentic knowledge and experiences. Conformability relates to the researcher's ability to provide an auditable account of the qualitative nature of the study, demonstrating that the findings are genuinely derived from the data. Transferability assesses the applicability of research findings, examining whether the results of a qualitative study can be transferred to different contexts and populations. Finally, dependability pertains to the researcher's ability to trace the origin, collection, and utilization of the data in a study. A key strategy to ensure dependability is the use of a diagnostic test, which enables researchers to establish a clear and consistent alignment between the data and their application. Moreover, qualitative researchers can enhance the trustworthiness of their results through member checking, a technique involving the verification of assumptions with informed individuals who were part of the study. Throughout the research process, two individuals with knowledge in the relevant field provided guidance and additional insights to the researcher. Furthermore, the researcher observed documents related to the organization's performance.

In this paper, the Delta model has been utilized to elucidate marketing strategies. The Delta model represents a novel strategic framework that places the customer at the center of the management system. This model tests fundamental strategic choices and endeavors to establish a close relationship with the customer. Classical strategic frameworks predominantly emphasize product orientation. Companies that operate based on these frameworks place competitors against each other in a competitive battle,

with the outcome determined by who offers the best product. Consequently, companies that adopt a product-oriented mindset ultimately fall short in analysis. Such companies seek to attract customers through standardized offerings via mass distribution channels. Based on the customer relationship structure, a company can establish continuous, deep understanding, and close relationships with its customers, known as intimate customer relationships. These relationships can be established directly with customers or indirectly through intermediaries from whom customers acquire information. The Delta model introduces a new set of strategic positions, represented by the three options presented in the triangle, as a starting point for developing strong organizational insight. These three options provide managers with three useful approaches to establishing close relationships with their organization's customers. In this triangle, the option of "best product" is positioned as a means to attract, satisfy, and retain customers through the inherent characteristics of the product itself. The strategic driving forces in this option involve the development of a supply chain that ensures the renewal of the existing production line and the assurance of distribution channels that predominantly transfer products to various target markets. The criterion for this strategy is worthy competitors, whom we strive to either surpass or outperform. In this strategy, products gradually become standardized, and customers become general and anonymous. Success in this strategy is dependent on the success of the product, which ultimately leads to a lack of coherence among various business activities and neglect of customer expectations.

### Data Analysis

As previously mentioned, the 14 extracted themes were categorized, leading to the identification of two key strategic reference points for the first time about the studied industry: (1) Customer Engagement and (2) Switching costs. Subsequently, to

develop appropriate marketing strategies based on these new strategic reference points, a questionnaire was administered to further elucidate the strategies. The conceptual descriptions and the extracted themes are presented in Table 1. Considering the research question, each interview was thoroughly examined and subjected to thematic analysis, as detailed below. By exploring the relationships between the research variables, a content analysis was conducted to extract meaningful connections from the overall text.

Table 1 provides an overview of the identified themes and the corresponding conceptual categories derived from the interviews. The table includes all the identified concepts and classifies cases that reference specific concepts, with the dominant and most professional concept being identified as the selected theme. It is worth noting that no new concepts were added to the themes after a certain point in the interview process, indicating data saturation. Nonetheless, the researcher conducted a total of 21 interviews.

Table 1.  
*Set of identified themes and conceptual categories*

Strategic Reference Point	Theme Code	Theme Code	Strategic Reference Point
<b>Customer Engagement</b>	1 Product Engineering	8 After-sales Services	<b>Switching Costs</b>
	2 Product Quality	9 Accessory Products	
	3 Product Warranty	10 Distribution Options	
	4 Distribution Channels	11 Financial Management	
	5 Accessory Products	12 Upgrading Communication Channels	
	6 Customer Loyalty and Preservation	13 Managing the Total Cost	
	7 Innovation in Products and Services	14 Providing a distinctive value proposition	

### Data Analysis and Presentation of Extracted Themes

As mentioned in the research methodology section, a thematic analysis approach was employed for information analysis, utilizing document examination, document analysis, and the findings of research interviews. Accordingly, the interview texts underwent careful examination and coding to extract various concepts relevant to this study. These concepts were subsequently classified into distinct conceptual categories based on their manifest content, representing independent concepts. Moreover, these categories were further segmented into different sub-themes, which were extensively discussed and examined. Ultimately, the sub-themes were integrated into a series of broader overarching themes (strategic reference points).

The analysis of interviews serves multiple purposes, such as contributing to

theory development, theory testing, or the practical application of findings. The appropriateness of the analysis method is contingent upon the research objectives, the interview content, and the nature of the available information. In this section, the focus is placed on the internal factors that foster participant motivation in the current research. The results obtained from both surveys and interviews are subsequently presented. The interview questions were designed based on the theoretical framework derived from the underlying theoretical foundations. The research process followed a systematic approach: initially, a set of core questions was formulated in alignment with the theoretical framework, while subsequent questions were designed to elucidate responses and enhance the understanding of the concepts conveyed. Additional probing questions were utilized to further explore participants' insights. For this study, semi-

structured interviews were conducted with 21 industry experts, deputies, and senior managers who possessed a wealth of knowledge and experience in marketing, specifically within the power industry. A purposive sampling technique was employed to select the interviewees. These individuals demonstrated familiarity with both the organizational and societal cultures and were well-versed in the influential marketing concepts within this domain. Furthermore, they exhibited a comprehensive understanding of the organization's historical development and the prevailing operational systems since its establishment. The interview data was meticulously transcribed, and thematic analysis, a widely adopted

qualitative research method as elaborated in Chapter 3, was employed to analyze the data. The thematic analysis involves categorizing information based on meaningful subject matter categories, enabling the concise summarization and subsequent analysis of respondents' perspectives.

Finally, the research conceptual model was derived by integrating the Delta model with the identified strategic reference points, as depicted in Figure 2. To complete the process, a strategy formulation questionnaire was employed to develop tailored marketing strategies for each respective cell. The resulting strategies, as presented in the research conceptual model (Figure 2), were extracted.

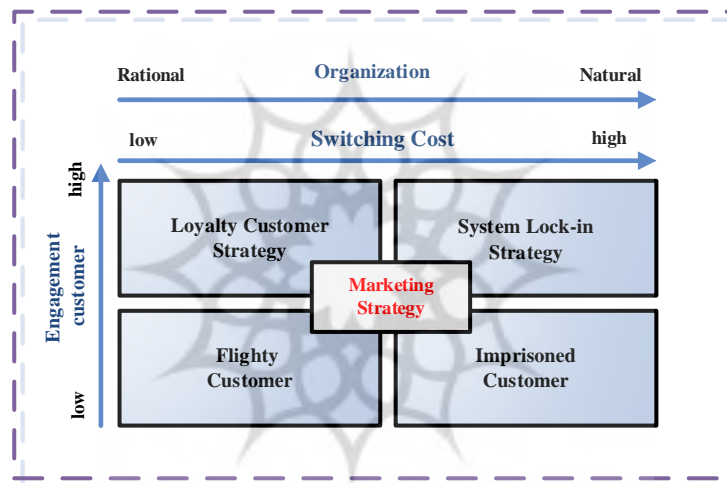


Figure 2. Conceptual Model Source: researcher

## Conclusion and Discussion

The conclusion of any research should address the fundamental question of what ultimate findings have emerged from the study and what contributions have been made to our existing knowledge of the research topic. The central focus and nucleus of this present study revolve around the elucidation of dynamic and strategic articulation. The coordination of internal and external structural and behavioral mechanisms within an organization and the interconnectedness of organizational components to achieve organizational goals are referred to as marketing strategy. Hence, marketing strategies are how marketing objectives are realized.

In this research, it has been tried to carefully examine and identify the reference points, and based on the methodology of strategic reference points identified by other scientists in the past, from the point of view of experts in the power plant industry, new reference points suitable for this industry as innovation in this field and in this industry to be presented to fill a part of the mentioned research gap. In this study, to answer the question of what appropriate strategic reference points exist for the power plant industry, interviews were conducted with industry experts, and their responses were subjected to systematic analysis. This analysis yielded 14 themes, each of which was examined and categorized, ultimately

leading to the identification of two primary strategic reference points that exert the most significant influence on their respective strategies. It is worth noting that the identification of these strategic reference points and their positioning within the derived matrix is of paramount importance, as they directly inform the selection of strategies at the business level. Consequently, the identification of these reference points and their placement within the derived matrix assumes a pivotal and highly consequential role. In the subsequent phase, marketing strategies were formulated and integrated into the matrix, elucidating the strategic alignment between marketing strategies and reference points through a comprehensive framework and the utilization of the Delta model. Drawing upon the research literature and the interviews conducted, a conceptual model was designed. This model encompassed distinct and separate Strategic Reference Points (SRPs) for customers and competitive positions, based on which the final research matrix was devised. Within this framework, emphasis was placed on the expansion and enhancement of customer relationships through various channels. The central theme of this concept pertained to customer communications, wherein the focus was directed toward the diverse forms of marketing communications, including reactive, proactive, one-way, interactive, online, or traditional.

In a broader sense, customer engagement encompasses the domain of customer experience management and stems from the customer-centric marketing management philosophy. With intensified competition among businesses and the growing significance of acquiring new customers and retaining existing ones, customer management approaches have transformed. While customer management has long been regarded as a core business activity, the methodologies employed have evolved.

Customer engagement, in general, is defined as a mechanism whereby customers, directly and indirectly, collaborate to create value for a company. Direct engagement

involves customer purchases, while indirect engagement includes activities such as customer referrals, social media discussions about the company or brand, and providing feedback and suggestions for performance improvement. Customers can contribute to various forms of value creation for the company. In the present era, companies not only seek to capture customer lifetime value but also aim to actively involve customers in the value creation process. Over the past decade, the dominant logic theory has emphasized the active role of customers in co-creating value and participating in the marketing activities of companies. Researchers argue that customer engagement and involvement can yield significant profitability and financial returns for companies.

The second strategic reference point is relocation costs. In marketing, management, and economics literature, it is widely acknowledged that relocation costs exist across diverse industrial and consumer domains. Relocation costs pertain to the expenses incurred when a customer switches from one service provider, brand, or product to another (Fornell, 1992; Burnham, Frels, & Mahajan, 2003). Relocation costs have been recognized as influential factors in maintaining human relationships and identifying customers. These costs represent the expenses borne by customers due to switching to another service provider, which they would not experience if they remained loyal to their current provider (Lee & Marlowe, 2003). Increasing relocation costs are recommended as a strategic approach to reducing the inclination to switch to competitor firms. If these costs are substantial for customers, they can be perceived as impediments to switching and potentially contribute to increased loyalty (Tavakoli, Kafashpour, & Nikoo, 2017).

The significance of this reference point lies in two aspects. Firstly, it can assist organizations in defining and implementing strategies that deter customers from switching to alternative sellers. Secondly, awareness of these factors and variables can



help organizations formulate suitable tactics to motivate and incentivize customers to switch from competitors to the desired organization (Pick & Eisend, 2014).

Initially, many companies held the belief that they could attain advantages, such as cost reduction and process improvement, by focusing on their internal and external processes. However, it didn't take long for pioneering companies to realize that customer-centricity is a prerequisite for success. They need to retain existing customers and, whenever possible, attract new ones (Kohli & Jaworski, 1990).

The overall success of a business is contingent upon its ability to maintain long-term customer relationships (Blourian & Tehrani, 2012). Companies are well aware that the cost of acquiring new customers is significantly higher compared to retaining existing ones (Hosseini, Shirkhodaei, & Namvar, 2018). It has been acknowledged by businesses that losing a customer implies losing the entire stream of their lifetime purchases (Shafaei, Seifi, & Mohammadi, 2019). On the other hand, relocation costs play a crucial role in fostering customer loyalty. The proliferation of product choices has confronted customers with an abundance of options. Hence, companies must actively monitor and comprehend their interactions with customers, offering them valuable goods and services that align with their needs and values. By generating customer satisfaction and fostering loyalty, companies can effectively discourage customers from shifting their allegiance to competing firms (Paderam & Ghaempanah, 2016).

In situations where organizations and producers neglect the interests, perspectives, or priorities of customers, it inevitably leads to customer disengagement from the system and their subsequent transition to alternative systems that better align with their ideals (Emami, Torabi, & Pourashraf, 2015).

According to the two new strategic reference points and the explanation of the resulting matrix, as the customer engagement goes from low to high and also the switching costs increase, four types of strategies are

created and the superior LOCK-IN strategy is explained with high switching costs and customer switching costs.

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