

The strategic marketing as a tool to study the environmental changes to raise the competitive of dairy companies in Algeria.

Djediane Manel*

+213.774.93.59.52

Manel.djediane@gmail.com

Lazereg Messaoud**

+213.776.45.23.90

lazreg.messaoud@yahoo.fr

Abstract :

The aim of the present paper is to measure the impact of strategic marketing on the competitiveness of Algerian companies. For this, we divided the study into four sections. The first section presents the nature of the relationship between marketing and competitive strategy in companies according to the existing literature. The second section provides a definition of the concept of competitiveness at the level of companies and the various indicators with their models of measure. As for the third section, we presented the Algeria's dairy industry in terms of policies and strategies and their impact on the companies in this sector. Finally, we measured the role of strategic marketing in the competitiveness on *Tifralait* company. For this, we passed through two stages: (1) measuring the adoption of the strategic marketing by the company studied, (2) measuring the coherence between the model used previously to demonstrate the role of strategic marketing in the competitiveness of the *Tifralait* company.

In the end, we remind that strategic marketing practices are applied at more than 86% in *Tifralait* company, and the three most influential variables on its competitiveness are : (1) a long-term vision, (2) an increase in the efficiency, and (3) the emergence of the culture of listening to environment. These latter represent the strategic marketing practices, and allows to estimate its main role in the company's competitiveness.

Key words : strategic marketing, competitive strategy, competitiveness, Algeria's dairy industry, structural analysis.

Introduction

The 1980s were a period of radical change in the global economy: the pace of change in the environment in which enterprises operated, the short-term financial economy, technological development and global market. this led to increased competition between companies (M. Kalika, 2006), He highlighted the importance of: (i) the need to track environmental changes to identify opportunities and threats; and (ii) to have the resources and competencies that allow enterprises to adapt to environmental changes, to capture or create opportunities if needed.

The Algerian economy had, also known an increase in competitiveness in the early 2000s. This period was marked by the entry of the big multinationals following the investment regulation law (of 2001). This latter encouraged the private and foreign investment in Algeria. Based on the years 2000, the dairy market was in a state of oligopoly, with some big Algerian and foreign companies, and a large number of SMEs (H.Souki, 2009).

Meanwhile, many policies and programs have been implemented, both at the macroeconomic and the dairy sector levels. That included the National Agricultural Development Plan in 2000, the National Agricultural and Rural Development Plan in 2002, and the Agricultural and Rural Renewal Policy in 2008. These plans and policy encouraged

* Researcher in the Centre for Research in Applied Economics for Development (CREAD), Algeria

** Researcher in the Centre for Research in Applied Economics for Development (CREAD), Algeria

the production of local raw milk to reduce the dependency status of international milk powder markets, which have been volatile since 2008. These policies aimed also to increase its integration rate in the milk industry by giving many forms of support to the actors in the dairy sector.

During the 1990s, a number of strategic marketing directorates were established in the international companies, aiming to achieve a convergence between marketing and strategy. But this phenomenon has seen a slight decline in the following years, and then back to expand in mid-2000.

Strategic marketing aims to analyze markets, the environment, and competition to maintain a profitable competitive position for the companies (Rivera, 1997). Through its reliance on an approach between functions (Thomas et Gardner 1985, Sharma, 1999). It also integrates the internal and external orientation of the organization by adapting the company's resources and competencies to long-term market opportunities (Trinquecote 1999).

The topic of the relationship between strategic marketing and the competitiveness of the company was a wide debate among researchers at the academic level during the 1980s, some researchers confirm that raising the competitiveness of the company is one of the strategic marketing tasks (Sharma and Vredenburg, 1998; Berthon et al, 1997; Hurley and Hult, 1998; Sharma, 1999; Day, 1992, 1994; V.Kirova, J-F Trinquecote, 2011). While other researchers believe that the role of strategic marketing is marginal in the competitiveness of the company, and according to them, the main role is for strategic management (Abell and Hammond, 1979; Hofer and Schendel, 1978; Prahalad and Bettis, 1986; Porter, 1980, 1981).

These works inspired our study, which is about the impact of strategic marketing on the competitiveness of Algerian companies. This study divides into four main stages. First, we identify the strategic marketing practices we summarized in 10 practices according to available literature. Second, we select a competitive measurement model that we will use later on the company studied, this model developed by Dilek Cetindamar, Hakan and Kilitcioglu was developed in 2013. However, some adaptations will be introduced to the initial formulation of the method, to suit the Algerian context. Third, we give a comprehensive overview of the characteristics of Algeria's dairy sector, with a view to define the company's context. Finally, we study the private dairy company *Tifralait*, through interviews with the unit manager in 2017 and 2019. At this stage, we rely on a semi-structured guide to data collection based on the results of the previous parts of this work. Then, we use the structural analysis through the direct impact matrix to analyze the results of the study.

1. The strategic marketing and its relation to both the environmental changes and the competitiveness of the company

In this section comes a review of current literature about the stages of development of the relationship between strategic marketing and competitive strategy. We began to follow the literature that emphasizes that the competitive strategy is one of marketing (marketing strategy) responsibilities during the period from 1950s to the end of 1960s. Later, academic research and practitioners point to a decline in the role of marketing in the competitive strategy of companies and the emergence of the concept of strategic management between 1970s and 1980s. Finally, we assisted to the dominance of marketing (strategic marketing) in the formation of the corporate strategy of the end of 1980s.

1.1. The stages of development of the relationship between strategic marketing and competitive strategy in the context of environmental changes

Before talking about strategic marketing, we have to point out an important idea, the relationship between marketing and strategy. A topic that has been widely debated, and the most consensual view of the marketing-strategy interface was progressively formed the mid-1990s onwards. Researchers began to differentiate between marketing strategy, a part of marketing management and strategic marketing, which was seen as the contribution made by marketing to a company's general strategy (Antoine, 1995; V.Kirova, J-F Trinquencoste, 2011). In this work, we need to understand both concepts, because they represent the relationship aspects between marketing and the competitiveness of the company, according to a large number of researchers. In fact, the term 'strategy' first came into business literature via a marketing text by Lyon in 1926, he had discussed marketing strategy as a holistic competitive orientation for business. Alderson (1957, 1965) consolidated this perspective by proposing a comprehensive theory of competitive advantage that combined the consumer, competitor, societal, and institutional perspectives. (Sharma, 1999).

We will start talking about the declination of corporate long-range planning, during the 1960s, marketing had in this period a great influence on strategic planning, (Day and Wensley, 1983), and it became an important instrument for competitive strategic (Sharma, 1999). Strategy research during the 1970s was dominated by an analysis of the PIMS database, the linear linking of increased market share to increased profitability (Buzzell et al., 1975), and the product life cycle, which theoretical described the growth and decline in the sales of a product for each of the hypothetical stages in a product's sales cycle (Rink and Swan, 1979).

This narrower perspective encouraged a research focus on models that prescribed means of achieving this sales growth. As a result, the academic researchers emphasis on the manipulation of the marketing variables as a corporate planning activity and the related concept of the '4 Ps of marketing' (McCarthy, 1960), during the 1950s and 1960s, the marketing ignored other internal and external variables that may influence an strategy of the companies.(Sharma, 1999).

During the 1970s, the role of marketing declined in the formulating competitive strategy. The 'dominant logic' (Prahalad and Bettis, 1986) was to minimize risk through portfolio diversification and the consolidation of strong competitive positions and conservation of scarce resources (Day and Wensley, 1983). As a result, the marketing strategy lost its role in strategic planning and was limited to the tactical leve (Hofer and Schendel, 1978). During the same period, the strategic management emerged as an alternative to marketing strategy, because the need to rectify marketing's imbalanced focus on product-market competitive strategies by a better external-internal fit (Schendel, 1985; Sharma, 1999).

During the early 1980s the companies began to report frustration with getting the marketing concept implemented (Webster, 1981). which have led to many questions about the need to satisfy whims of customers in the short-run, at the expense of unnecessary and products proliferation, inflated costs, unfocused diversification, a weak commitment to R&D (Hayes and Abernathy, 1980; Bennett and Cooper, 1982; Houston, 1986), and the stifling of innovation and creativity within the firm (Kaldor, 1971). And sparked reactions such as Mintzberg's comment, stated "marketing had moved away from a holistic concept of competitive strategy proposed by Lyon and Alderson to a much narrower focus on the

manipulation of the marketing mix to maximize market share and sales growth" Mintzberg (1994, p. 281) . In the same opinion of N-E, Aaby stated in his article “it is argued here that marketing, the discipline, has failed to deliver on its promise as a central corporate philosophy ” (N-E, Aaby, 1989). This is due to ignore important non-customer stakeholders. During the 1980s, the discipline has been fascinated by tactics, techniques and clever methodologies at the expense of the broader strategic perspective (N-E, Aaby, 1989, Day and Wensley, 1983).

During the late 1980s, in the context of a radically changed environment: rising discontinuity and complexity, deregulation, increased emphasis on productivity and quality, added to technological development accelerate, changes in the pattern and nature of demand, heightened pressure for ever more precise satisfaction of need. with rapid globalization and sluggish economic growth in the Western world marketplace (J.E. Lynch, 1994; Lamming 1993; Sharma, 1999). Companies realized that in periods of slower growth they had to actively look for new opportunities in order to grow or even hold on to their competitive positions.

During the early 1990s, a new marketing paradigm emerged, the strategic marketing (as distinct from marketing strategy) in response to criticisms that marketing had failed to consider adequately the development of long-term competitive advantage (Sheth et al. 1982; Wind and Robertson, 1983). Strategic marketing involved a more moderation matching of a firm’s resources with environmental opportunities and constraints so as to achieve a long-run competitive advantage (Kerin and Peterson, 1983). Day and Wensley (1983, 1988) and Day (1983, 1990, 1992) emphasized that strategic marketing should be founded on two pillars – a thorough understanding of consumer needs and behavior with a critical analysis of opportunities for competitive environment, on one hand. And on the other hand the analysis of the company's resources and competencies. During this period, strategic marketing has restored its key role in corporate competitiveness strategy. The supporting element provides further details on the various definitions and strategic marketing practices.

1.2. The definition and the characteristics of strategic marketing

We will display some of the diverse definitions of strategic marketing in the table 01:

Table 01: some definitions of strategic marketing

Authors	Definitions
Wind and Robertson (1983)	Strategic marketing consists of the search for competitive advantages and long-term advantages in terms of consumer relations, but also the analysis and management of a company’s strategic activities portfolio.
(Cravens 1986)	The decisions that make up strategic marketing are those that are linked to the selection of target markets and positioning (via an adapted mix).
Shiner 1988)	Strategic marketing is an integral part of marketing management and is expressed in the integration of marketing planning into all levels of strategic planning.
Wiersema, 1983	Strategic marketing serves to orient organizational strategies according to market perspectives and knowledge of the consumer.
Blois and Mathur, 2000	Strategic marketing consists in combining corporate strategy and competitive strategy.
Rivera, 1997	The purpose of strategic marketing is to analyse the markets, the business environment and the competition in such a way as to preserve a competitive and profitable position, for the company.
Trinquecoste, 1999	Strategic marketing is the contribution made by marketing to a company’s general strategy. It is intended to align the company’s effective capacities with the promises it makes in order to generate a strategic competitive advantage.

We can summarize the different practices of strategic marketing according to different definitions and literature (J-F Trinquécoste, 1999; Greenley, 1993; Piercy et al, 1997; V.Kirova, J-F Trinquécoste, 2011) in ten basic points, we will use these points in the case study of Tifalit in the fourth section of the study, include :

1. Created of strategic competitive advantage.
2. Determination of strategic Key Success Factors
3. The adaptation between the resources and the skills of the company and the market opportunities.
4. The synergy between the corporate strategy and the competitive strategy.
5. building long-term relationships with stakeholders.
6. Supervising the Intra-organizational processes
7. Focus on customers.
8. The emergence of the culture of listening to environmental
9. Contributing to increase the efficiency.
10. Long-term vision.

2. The competitiveness of companies, and the model used to measure them

This section presents different definitions of competitiveness, which vary according to the level of analysis (countries, sectors, companies). We have also provided the various indicators of competitiveness that had been used by researchers, especially in the field of food industries, because of the nature of the companies that we will study in the practical side of this study. Finally, we explain the model used to measure the competitiveness of the studied companies, which was designed by a group of researchers based on the indicators used by namely World Competitive Yearbook, Global Competitiveness Index, and the well-known European Foundation for Quality Management Excellence Award

2.1. The competitiveness of companies and the measurement models used

At the beginning, we note that the concept of competitiveness is not static, and changes constantly in response to changing market conditions. It is a relative concept whose perception changes with the level of analysis conducted. Thus, a multitude of factors, domestic as well as international, can have profound effects on the competitiveness of a given entity (Lachaal L, 2001). The evaluation indicators of this concept found in the economic literature all relate to a specific context and, therefore, should be used with caution. However, despite the intensive use of this concept, consensus on the definition of the term is far from being achieved. For some, competitiveness is the ability to penetrate and compete in new markets. For others, competitiveness rather reflects the ability to maintain a positive trade balance. In addition to this divergence, it also seems true that this concept is changing with the level of aggregation of the analysis one wants to conduct (i.e. national, sectoral, enterprise level) (Lachaal L, 2001).

A review of the literature on the concept of competitiveness reveals the absence of a single definition of the term to guide a research effort. Among them: " Competitiveness is the ability to provide goods and services at the time, place and form required by foreign buyers at the same or better price than other potential suppliers while at least earning the opportunity cost of the resources employed." (Sharples et Milham, 1990).

In what follows, we will show a conceptual framework integrating the different determinants of competitiveness, it was proposed by Lachaal L, 2001. The framework is modified and

adapted from the study of Brinkman (1987) on the competitive position of the Canadian agriculture. And the indicators of financial performance of the dairy industry, which had been identified by Špička, J, 2013. This framework includes the following elements:

1. The measures relating to production costs.
2. The measures relating to factor productivity, includes (the productivity gaps (Jorgenson et Nishimizu,1978; Conrad,1988; Christensen et al, 1981).
3. The measures relating to trade, includes: the share in the export market, Balassa's revealed comparative advantage index, net exports index of Balassa and Bauwen.
4. The measures relating to market share (Larson et Rask, 1992).
5. The measures related to profit: the gross and net margins, and the price-cost behavior indicators.
6. Indicators of profitability, labour productivity and cost efficiency (ROA (%), ROS (%), Value Added / Staff Costs, Cost of sales / sales of production).
7. Indicators of liquidity and net working capital (Current Ratio, Acid Test Ratio, Cash Ratio, Accounts Payable Turnover in Days, Net Working Capital per Total Assets)
8. Turn-over indicators (Assets Turn-over, Long-term Assets Turn-over, Inventory Turnover, Accounts Receivable Turnover in Days).
9. Indicators of capital structure (Debt Ratio (%), Short-term Debt Ratio (%), Long-term Debt Ratio (%), Credit Debt Ratio (%)).

2.2. The model used to measure the competitiveness of the studied companies.

Our study depends on its application side, for measuring competitiveness on a model which has been developed by Dilek Cetindamar, and Hakan Kilitcioglu (2013). Those researchers have prepared this model based on namely World Competitive Yearbook, and Global Competitiveness Index, as a theoretical aspect, and the well-known European Foundation for Quality Management Excellence Award, as an assessment structure. This measure of the model is used by the same researchers to assess the competitiveness of Ten Turkish Companies, in order to choose the most competitive company in the year (2010). This model consists of three pillars:

- For the first pillar, which is called “outcome”, and abject four criteria, this pillar reflects the final results of competitiveness.
- The second pillar is named “resources”, its goal is to describe competencies, and it includes three criteria.Finally, in order to add a dimension of sustainability based on the theory of resources and competencies (Barney, 1991; Prahalad, 1990).
- The third corner is added “managerial processes and capabilities”, it combine three criteria (Dilek Cetindamar, Hakan Kilitcioglu, 2013).

Based on the previous model of measuring the competitiveness of companies and the characteristics of strategic marketing mentioned in the previous section, we have prepared the form shown in the Figure 1:

Figure 1: The model of the competitiveness of dairy manufacturers in Algeria

Outcome Indicators	Growth	Export	Value added & Profit
Resources	Human Resources	Technology Innovation	Financial Resources (state subsidy).
Processes (strategic marketing)	Achieve strategic competitive advantages	Identification of strategic key success factor	The adaptation between the resources and the skills of the company and the market opportunities.
			The synergy between the corporate strategy and the competitive strategy
			The sustainability of relations with stakeholders
			Intra-organizational processes
			Focus on customers
			The emergence of the culture of listening to environmental changes
			Increase the efficiency
			Long-term vision
	1	2	3
			4
			5
			6
			7
			8
			9
			10

Source: from the results of Dilek Cetindamar, Hakan Kilitcioglu study, 2013.

As noted in the previous figure, we have adapted the third pillar to conform to the previously mentioned marketing performance (See factors: (1), (2), (4), (5), (6), (7), (8),(9) and (10)), and the characteristics of the agricultural food economy, which is closely related to food security issues and it includes the issues of self-sufficiency and food dependence in the analysis (L.Malassis, G.Gherzi,1992). In addition, the characteristics of the dairy sector in Algeria, which suffers from a dependence on imports of milk powder and is characterized by the intervention of the State in the organization of this strategic sector (Amellal R, 1995; Bedrani et Bouaita, 1998 ; A. Bencharif, 2001; Kherzat, 2007; M.MAKHLOUF et al., 2016; F.Mamine et al., 2016, M. Kaci, 2017).

3. A survey on dairy industry in Algeria:

In this part of the study, we will present an overview on the development of Algeria's dairy industry in the context of economic and agricultural policy.

During the period 1962-1986, the public companies dominated the dairy industry in Algeria. This latter represented by the ONALAIT group (National Dairy Office), which was established in 1969 in the context of a planned and strongly state-controlled economy (Bencharif 2001 ; Cread, 2018). Until 1974, these companies used raw milk imported from southern France in isothermal tanks, mixed with locally collected raw milk (Bencharif, 2001). As a result they mainly engaged in pasteurization and milk conditioning (Boukella, 1996). Begining from 1974, only imported milk powder and milk fat have been used.

The environment of these companies was characterized by stability with nearly the absence of competition by private companies, due to several reasons including: the high cost of raw materials, the absence of funding sources, and the low prices that are not incentive to invest. This latter as a result of the State's policy to provide low-priced milk to Algerian consumers. Its aim is increasing the share of animal protein, which recorded a shortage after

independence, with a daily per capita ration of 7.8 g/person /day according to the 1968 consumption survey (Kherzat.B, 2007, O. Bessaoud, 2016, H.Souki, 2009, ONS¹, 2011).

The development and regulation policies of the dairy sector until the end of the 1980s focused on improving the consumption of milk and satisfying the needs of the population, based on two main tools:

- (i) the consumer price subsidy, which remained low until the end of the 1980s;
- (ii) importing large amounts of milk powder (A.Bencharif, 2001 ; R.Amellal 1995).

In the same period, the State imported conversion machines based on large industrial units, especially on imported milk powder, within the framework of the so-called (Under what is known) industrializing industry. Where the State sought to establish large industries whose goal was to create other industries (Destanne, 1971). Between 1980 and 1985 (more than 400 billion DZD (Cread, 2018). This policy has led to increased dependence on international markets, lack of productive capacities utilization and the development of a low price policy that is not incentive to local producers. This situation has resulted in a deficit in the agricultural balance, contrary to the situation before 1973, when the rate of the coverage rate of imports by exports dropped from 70% in 1973 to 1.5% in 1987 (Cread, 2018, Makhoulf, 2016, p47). However, following the collapse of hydrocarbon prices in 1984, deep economic reforms were implemented. The first reform was implemented in 1987 in the agricultural sector, by disengagement about 3 million hectares of farms in the state which retains the right of ownership over the land but which grants a large autonomy of management to the beneficiaries (cooperatives or individuals). (Cread, 2018). In 1995 a program was issued to renew the milk production, but the investment allocated to the milk branch remained weak and insignificant compared with the real needs of the milk policy program. In 1997, two years after, the program was under control, only 5% of the investment support allocations were disbursed (Kherzat, 2007). According to the same author, the fragile agricultural situation, until the end of 90, prompted the government to feel the need to adhere to sustainable solutions.

In general, we can say that at this stage, the State has committed itself to a liberal economic policy to regulate the relationship between companies and the internal and external market (M.Boukala, 2008), through Law No. 88-06 of 1988 regarding banks and credits, Law 89-12 of 1989 (Cread, 2018), The new price system adopted in 1989, which was gradually implemented in 1990 to liberalize prices and achieve an economy market, led to higher prices for most food products as a result of the elimination of support for consumption (A.Bouyacoub, 1995; A. Bencharif, 1988).

The opening of markets and the liberalization of industrial investment in the 1990s, public incentives (National Agency for Investment Development (ANDI²), etc), and the National Agricultural Development Plan (PNDA³), etc.) gave a boost to private investment and thus ended the state monopoly of the public sector (Y. Hammouni, 2009). According to Z. Zaidi (2016), beginning in 1994, through the reform process in the framework of the implementation of the structural adjustment plan as well as the acceleration of the

¹ office national des statistiques/ Office for National Statistics

² Agence Nationale de Développement de l'Investissement.

³ Programme National de Développement Agricole

liberalization process in 1995, private companies dominated, resulting in diversification of dairy products, creating dynamic and competitive dairy market , While continuing to rely on imported milk powder. In 1998, there set up GIPLAIT (Public Group), which includes 18 subsidiary companies.

In the period of 2000-2007, the Algerian economy implemented several plans and programs launched by the government, these aimed at raising public investments in various sectors. The agriculture and fisheries sector, which suffered from the deterioration of the capital during the last two decades, benefited from a total budget of 75.5 billion dinars. Which represented 4.13% of public investment (Cread, 2018). The agriculture sector has adopted many programs and policies during the same period:

1. The National Agricultural Development Plan (PNDA) in 2000, this plan is part of the desire to revive agricultural growth. The goals set by this plan are the result of detailed analysis of agricultural status and weaknesses found in programs and policies, thereby increasing support under the previous program, this support was established through two funds: FNRPA⁴ and FNDIA⁵. According to Cherfaoui et al. 2004, the amount of subsidies allocated to the milk sector in 2002 increased by 3.8 times the average annual rate during the period 1996-1999, from 451.67 million DZD to 1724 million DZD. During the period 2000-2005, the milk sector benefited from a financial allocation of 5.7 billion DZD.
2. The National Agricultural and Rural Development Plan (PNDAR⁶) (2002-2009) The plans implemented in agriculture was integrated into the national programs to support economic development: the PSRE⁷ 2001-2004; the Supplementary Program to Support PSCE⁸ Growth, which ran from 2005-2009, and five-year programs 2010-2014 and 2015-2019. Within this comprehensive programming, the financial resources of different sectors identified in a multi-year reference framework and allocated annually through funding laws. In 2003, the National Strategy for Sustainable Rural Development (SNDDR⁹) was developed, it was followed by the Rural Renewal Policy (PRR¹⁰) 2006 (Cread, 2018).

For the dairy budget, it was run by the directorates of agricultural services for each state before 2007, which gave priority to the upstream of sector and financed by more than 30-50% of the total financial allocations directed to the production of milk at the level of stables and feed cattle. It also included incentives to increase the production of raw milk and to ensure its collection (coverage of refrigeration tanks for collection centers, analytical and control equipment, etc.) and to ensure its integration into a total pasteurized milk production (Makhlouf, 2015).

For the Algerian dairy companies, this period was characterized by an increase in the number of private investments. More than 120 private companies (46% of the dairy companies) were established between 2000-2004 (H.Souki, 2000), As well as the liberalization of the dairy market and the entry of multinational companies through acquisitions, equity investments or partnerships (Danone, Djurdjura, Yoplait, Générale laitière

⁴Le Fonds National de Régulation de la Production Agricole

⁵ Le Fonds National de Développement de l'Investissement Agricole

⁶ Plan national de développement agricole et rural

⁷ Programme de soutien à la relance économique

⁸ le programme complémentaire de soutien à la croissance

⁹ Stratégie nationale de développement rural durable SNMG : Salaire National Minimum Garanti

¹⁰ Politique de renouveau rural

industrie, Bel cheese dairy and Candia / Tchou-lait). 1999) (Z.Zaidi, 2016), as a result of the issuance of the Order 01-03 of 2001, which opened the door to domestic and foreign private investment by granting several facilities and privileges. In the same period a new policy was also launched to privatize some public companies, including three dairies belonging to the GIPLAIT group, namely: the Beni Tamou (Blida), Daraa Ben Khadah (Tizi Ouzou) For the French group LACTALIS and SOUMMAM in 2007, and Sidi Saada (Relzane) purchased by the private group Trèfle (Bellil.K, 2017).

After the international crisis of 2008, the State has committed itself to a new dairy policy in the framework of adopting the PRAR, which includes several programs: PPDRI, PPLCD, SNADDR, SI-PSRR. The aim of these latter are the intensification and modernization of production and productivity and the integration of sectors. Also, it depended on the system of regulation of broad consumer products SYRPALAC which aimed to reduce the effects of fluctuating price changes to ensure the stability of farmers' incomes and the purchasing power of consumers (Creed, 2018). As for the dairy sector, this new policy has achieved a dual goal, in terms of gradual reduction of imports of milk powder within the framework of achieving food security, and on the other hand, the development of national production of raw milk to compensate for milk powder.

To achieve this objective, The State has assigned this role to the National Office of Interprofessional Milk (ONIL), which was established in 1997 to regulate, supply and ensure the stability of the local market with LPCs¹¹ manufactured with imported milk powder. The Office imports for the State part of the national needs in the form of milk powder and redistributes them in the form of quotas with margins and fixed prices for the Algerian dairy companies (Makhlouf, 2016). For the second objective, which is the development of local production, the new dairy policy has two strategic directions (Mamine F, 2014, p109):

- (1) structure and supervision of dairy cows production on farms;
- (2) the integration of domestic production in the industry to achieve self-sufficiency.

The current milk policy aims to achieve two main objectives, On the one hand, it seeks to develop the local production of milk, at the same time, it works to support consumption, making the milk sector in Algeria suffer from dependence on the international market in terms of raw materials, mainly milk powder, equipment, feed and calves. (Djermoune, 2011). This policy has also led to an increase in the capita milk ration, which has almost doubled by 35 per liter per person in 1968 (Bédrani et Bouaita, 1998) to 157 liters / person / day in 2016, but in return for dependence on international markets by more than 50% (MADRP¹², 2018, CNIS¹³, 2017).

For the dairy industry sector, its structure shows three main categories (H. SOUKI, 2000):

- The public companies of the GIPLAIT, which consists of 15 subsidiaries, the Group's mission is to produce and market liquid milk for final consumption and other dairy products. A large proportion of packaged pasteurized milk, with a production capacity of 1 billion liters in 2011, Pasteurized milk packed in sacks represents more than 90% of its industrial production and the rest is from other dairy products. The public dairy industry is another form

¹¹ lait pasteurisé conditionné en sachet.

¹² Ministère de l'Agriculture, du Développement Rural et de la Pêche.

¹³ Centre National de l'Information Statistique, placé sous la tutelle des Douanes algériennes.

of State intervention in the dairy sector to ensure that this basic product is available to all strata of society, especially pasteurized milk at a regulated price (25D) (Bellil.K, 2017). .

- The medium-sized private enterprises, which tend to develop through partnerships with foreign companies, accounting for 8% of dairy companies with more than 100 employees.

- The small private companies with a regional base specializing in the production of one or two products, especially cheese. According to ONS, 6% of dairy companies were established between 2000 and 2005, 75% owned less than 60 employees, It is particularly active in the manufacture of dairy products (80% compared to 20% only for packaged pasteurized milk) (Bellil.K, 2017).

In addition to these three categories, we find very small and unregistered dairies, which belong to the informal sector.

According to field visits conducted by MADR and ONIL in 2017, the exact number of dairy companies at the national level is difficult to estimate and is the same as Z.Zaidi, 2016 after her visiting CNRC, MADR and l'ONIL. In this study, we will rely on the number of dairies contracted with ONIL under the Rural and Rural Renewal Policy, as shown in the following table:

Table 2: number of dairies contracted with ONIL and their evolution in percentage.

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016
Number	74	88	95	135	154	172	180	191	198
Evolution	-	+17%	+8%	+42%	+14%	+12%	+5%	+6%	+3%

Source : ONIL, 2017.

4. The case study of the private dairy company *Tifralait* :

This study is based on the competitive measurement model developed by Dilek Cetindamar and Hakan Kilitcioglu (2013). This model consists of three stages: (1) results, (2) resources, And (3) the processes (we replaced by the strategic marketing practices). According to the model used, high performance must be achieved for each component separately, with a correlation between the components of the model to achieve sustainable competitiveness of the company.

To measure the role of strategic marketing in the competitiveness of the studied company, we will pass three stages: First, measuring the adoption of the concept of strategic marketing by the company, second, measuring the coherence between the used model at the level of this latter, finally, we measure the correlation between all the elements representing the strategic marketing practices, along with the rest of the components of the model, to demonstrate its role in the competitiveness of *Tifralait*. We present the company studied (4.1.) Then our survey method (4.2.). We use a structural analysis and interpret the results (4.3.).

4.1. The presentation of *Tifralait* company:

In this paper, we consider the case of the private dairy company "*Tifralait*". Our choice is mainly based on two reasons, i.e., (1) being the leader in the production of camembert at the national level with a market share of 20 % of the market (estimated at 16,000 tons/year, 2018), (2) Seniority of this company, that means that it experienced various policies of the dairy sector in Algeria.

Tifralait is a private dairy manufacturer established in 1987, as a family company. We can distinguish four important stages in the development of this company. The introduction phase went from 1987 to 2004. The company was characterized at this stage as emerging, and non-specialized, based on traditional production capacities, with a limited geographical distribution.

During the second period (2004-2008), the company has known two important events. Firstly, it accessed to the legal status of SARL in 2004. This latter as a result of some small investments have been made by its self-financing, and public support in the framework of the special program initiated by the Ministry of Agriculture (PNDA, 2001; PNDAR, 2002). Second, it specialized in production of camembert, and it got 5% of the market. This decision based on the some changes in context, its technical mastery in the field, the growing of the market demand, and reduced of competition. For the latter, it is the result of the privatization of two public companies, i.e, DBK, and Sidi Saada, after suffering from mismanagement and declining performance. These latter represent their main competitors. At the end of this stage, the company has increased its production capacity by six-fold.

Third phase during the period (2008-2012), under the policy of renewal of agricultural and rural (PRAR) and the improvement in the standard of living, an increase in demand and competition was recorded. Consequently, the company focused on obtaining quality certificates (ISO 9001, HACCP), to protect its current market segments and acquire new market segments represented in the public sector (Air Algérie, the military sector).

The last period (2012 to this day), this period was characterized by two major events: (1) the construction of a new factory in 2013 to increase production capacities three times, with the aim of diversifying the company's dairy products, (2) the signing of a partnership agreement with a partner from USA on the production of livestock feed in 2018 with the aim of stabilizing the supply of raw materials (Sources of *Tifralait*).

The TIFRA LAIT Group is divided into three subsidiaries specialized in the manufacture of milk and derivatives as follows:

- SARL MATINALE TIZI-OUZOU (2008): specialized in the production of fermented milk, juices and milk yogurt.
- SARL IFKI MILK SIDI BEL ABBES (2010): specialized in the production of whole milk, semi-skimmed milk and sterilized milk (U.H.T milk) of the brick and cushion type.
- SARL TIFRA LAIT TIGZIRT (2004): specializes in the production of soft cheeses, Gouda pressed cheese and fresh cheese.

4.2. The survey method :

Our aim in this paper is to demonstrate the influence and dependence between the various factors in the competitive model that we mentioned earlier. The first information allows to measure the role of strategic marketing (process), as a component of this model in the competitiveness of *Tifralai* company. To this end we conducted semi-structured interviews 2 interviews in 2017 (March / May), and 2 in May 2019, with the former commercial director of the company (for 4 years), who is currently the unit manager of *Tifralait* since 2017 (is positioned directly under the general manager in the company hierarchy).

In order to achieve the objective of the study, we relied on three tools: (1) the competitive measurement model shown in Figure (1) in the second part of this study, which enabled us to identify the factors we used in the third tool, (2) Interview Guide semi-structured To measure the adoption of strategic marketing in the company studied, and (3) structural analysis using the direct impact matrix, this tool offers the possibility of describing a system or model using

a matrix linking all the constitutive elements of this model, this method aims to reveal the main influential and dependent variables and thus the essential variables. to the evolution of the model (D.Labaronne, M.Meziani, 2010).

4.3. The presentation of Tifralait's strategic marketing practices:

Despite the absence of a marketing directorate at Tifralait, strategic marketing is a dominant culture in the company, enjoyed by all its employees. This is what the results of our interviews with the unit manager, in addition to our observation to the company's employees during our frequent visits. The table (03) summarizes the adoption of different strategic marketing practices at Tifralait.

Table (03) : The percentage of adoption of different strategic marketing practices in *Tifralait*.

The strategic marketing practices	%
1/ Achieve strategic competitive advantages.	70
2/ Identification of strategic key success factor	75-80
3/The adaptation between the resources and the skills of the company and the market opportunities.	100
4/ The synergy between the corporate strategy and the competitive strategy	80
5/ The sustainability of relations with stakeholders	90
6/ Intra-organizational processes	90
7/ Focus on customers	75
8/ The emergence of the culture of listening to environmental changes	100
9/ Contributing to increased the efficiency	90
10/ Contribute to take a strategic decisions	80
average	>86

Source: from the results of interviews.

As noted in table3, strategic marketing practices were adopted by more than 86% at *Tifralait*, This is due to the understanding of the manager of the unit we interviewed and all the employees in the company for the importance of information to the development of the company, In addition to the nature of employment, as the company started its business as a family business and continued to expand by absorbing unemployment in its semi-remote region, this contributed to the spirit of belonging to the company. We also find the main role played by the company's training policy in the sense of the importance of strategic marketing as a tool to adapt to the changing environment and emphasize the need to integrate it in the Top management level. *Tifralait* ensures that all its employees are trained at least once a year in various fields according to their needs.

The remaining 14% is due to two variables: the lack of financial resources and the difficulty of predicting environmental changes, especially the political environment, which have known continuous and unexpected changes in recent years.

4.4. The structural analysis :

Three phases characterize the method of the structural analysis (D.Labaronne, M.Meziani, 2010): (1) The phase of census of the variables, (2) The phase of description of the relations between the variables, (3) The phase of identification of the key variables.

4.4.1. The census of the variables :

We identified 16 factors within the competitive model that we prepared based on different literature about competitive companies and strategic marketing, The list of variables selected

(Table 4) of competitiveness was validated during a brainstorming meeting with the unit director of *Tifralait*.

Table (04) : list of variables

1/profit	10/The synergy between the corporate strategy and the competitive strategy
2/growth	11/ The sustainability of relations with stakeholders
3/exports	12/ Intra-organizational processes
4/Human Resources	13/ Focus on customers
5/finance resource	14/ The emergence of the culture of listening to environmental changes
6/Technological resources	15/ Increase the efficiency
7/Achieve strategic competitive advantages.	16/ Long-term vision
8/Identification of strategic key success factor	
9/The adaptation between the resources and the skills of the company and the market opportunities.	

Source: from the results of interviews

4.4.2. The description of the relations between the variables (MID):

To analyze the data, we will use the analysis with the matrix of the direct influences. This matrix describes the relations of direct influences between the actions of the strategic marketing and the variables defining the competitiveness. The influences are noted from 0 to 3, with the possibility of signaling potential influences. The notation is 0 = No influence; 1 = Low; 2 = average; 3 = Strong and p = Potential.

Table (05) summarizes the total of lines and columns in MID. The Total Lines describes the degree of influence factor on the competitiveness of the company studied. While the sum of columns describes the degree of dependency of the variable.

Table (05): Total lines and columns

N	Variables	Total lines	Total columns
1	Profit	33	39
2	Growth	34	36
3	Exports	0	0
4	Human Resources	37	35
5	finance resource	30	29
6	Technological resources	33	36
7	Achieve strategic competitive advantages.	35	37
8	Identification of strategic key success factor	34	35
9	The adaptation between the resources and the skills of the company and the market opportunities.	36	37
10	The synergy between the corporate strategy and the competitive strategy	29	33
11	The sustainability of relations with stakeholders	33	36
12	Intra-organizational processes	35	26
13	Focus on customers	36	37
14	The emergence of the culture of listening to environmental changes	38	30
15	Increase the efficiency	38	39
16	Long-term vision	39	35
	Total	520	520

Source: from the results of interviews

As noted in the previous table, the three most influential variables on Tifralait's competitiveness are : (1) long-term vision, (2) Increased the efficiency, and (3) The emergence of the culture of listening to environmental changes, these variables represent the strategic marketing practices, proving again the role of the latter in supporting the company's competitiveness, as indicated in the results of Table (3). As for the most dependent variables are: (1) Profit, and (2) Increase the efficiency.

4.4.3. The identification of the key variables and interpret the results:

We will explain the three main variables self-significant impact on the competitive of Tifralait :

❖ **long-term vision :**

The company's long-term vision is to focus on building long-term relationships with stakeholders, especially the customer. To achieve this goal, the company relies on stability in its human resources, by focusing more on women in the recruitment process (their mastery of dairy sector, and stability in the post) and justice in determining wages and the granting of incentives. The company's ownership of highly qualified human resources enables it to optimize the utilization of resources, under a long-term view, to finally satisfy the changing needs of consumers, and increases the competitiveness of the company.

❖ **Increase the efficiency :**

For the company studied, there are two resources very important in their success and differentiation, financial resources and human resources. With regard to financial resources, interest in efficiency had increased since 2008-2012 due to the expansion of the company, and its obtaining of credits. The financial distress of that period led to a sense of the importance of reducing unnecessary costs, which are now saving as margins for emergency use. As for human resources, the company's strategy aims to provide a satisfactory working environment for employees to increase efficiency (providing food, transportation, material and moral incentives, make employees feel proud to belong to the company ..etc).

❖ **The emergence of the culture of listening to environmental changes :**

The importance of a culture of listening to the environment is growing, when the pace of change accelerates. This is what happened in the case of *Tifralait*, which is witnessing a large and rapid change on the level of four contexts, the economic environment, political environment, competition, and the needs of consumers. For example, in 2015, after the announcement of the campaign "*consommons algerien*" the company launched a new product under the brand "Al-Hugar". But because of the speed of stopping the campaign, the product did not meet the expected success, and missed a great opportunity for the company.

The dairy industry has also experienced the entry of a large number of internal and external competitors, under the constant encouragement of the State, under the policy of renewal of agricultural and rural PRAR, which seeks to develop the domestic production of raw milk and the integration of this production through the dairy industry, where the latter benefited from various forms of state support. Currently, there are 29 dairy products at the level of Tizi Ouzou, which is one of the main areas of the company.

Conclusion :

When the environment in which the company operates is characterized by instability and competition intensifies, strategic marketing becomes a central function positioning at top

management in the hierarchy levels. This latter is supposed to ensure a good adaption between the external environment and company's competencies and resources, at the long term by using the culture of listening to the environment, and the synergy between its corporate strategy and competitive strategy, this will ensure the achievement of a high competitiveness capacity. In this sense, a large number of researchers confirmed the existence of the strong relationship between strategic marketing and company's competitiveness (Sharma and Vredenburg, 1998; Berthon et al, 1997; Hurley and Hult, 1998; Sharma, 1999; Day, 1992, 1994 ; V.Kirova, J-F Trinquecoste, 2011).

Our objective in this paper was to measure the relationship between strategic marketing and competitive in the private dairy Tifralait. For this, we used three tools, i.e., (1) the competitive measurement model shown in Figure (1) in the second part of this study, which enabled us to identify the factors we used in the third tool. (2) Semi-structured interviews 2 interviews in 2017 (March / May), and 2 in May 2019, to measuring the adoption of the concept of strategic marketing by the company. (3) Structural analysis using the direct impact matrix, to measuring the correlation between all the elements representing the strategic marketing practices, along with the rest of the components of the model, to demonstrate its role in the competitiveness of company **Tifralait**.

According to the final results, the strategic marketing practices were adopted by more than 86% at company Tifralait, This is due to the understanding of the managers and all the employees in the company for the importance of information to the development of the company. Then, we find the main role played by the company's training policy in the sense of the importance of strategic marketing as a tool to adapt to the changing environment and emphasize the need to integrate it in the Top management level. And the three most influential variables on Tifralait's competitiveness are : (1) long-term vision, (2) Increased the efficiency, and (3) The emergence of the culture of listening to environmental changes, these variables represent the strategic marketing practices, proving again the role of the latter in supporting the company's competitiveness.

Bibliography :

1. Abdelhamid Bencharif **Eléments de réflexion sur la dynamiques de la consommation alimentaire en Algérie** (Cahiers du CREAD n°14, 2ème trimestre, Algérie, 1988) pp37-77.
2. Abdelhamid Bencharif **Stratégies des acteurs de la filière en Algérie : états des lieux et problématiques.** (Options Méditerranéennes : Série B. Etudes et Recherches, N 32, 2001) p p 25-45.
3. AHMED BOUYACOUB **Libéralisation des prix et consommation alimentaire des différents groupes sociaux** (Cahiers du CREAD n°38, 3ème trimestre 1995) pp 111-134.
4. Amellal Rachid **La filière lait en Algérie: entre l'objectif de la sécurité alimentaire et la réalité de la dépendance.** (Allaya M. (ed.). Les agricultures maghrébines à l'aube de l'an 2000. Montpellier: CIHEAM, 1995.) p.229-238
5. Bahidja Kherzat **essai d'évaluation de la politique laitière en perspective de l'adhésion de l'Algérie à l'organisation mondiale du commerce et à la zone de libre échange avec l'union européenne** (mémoire de magister en sciences agronomique, économie rurale, développement rural, institut national Agronomique –el harrach, Algerie, 2007)
6. Slimane Bedrani, Salhi Salima, Lazreg Messaoud, Bouzid Amal, Bessaoud Omar **Analyse de l'état de la sécurité Alimentaire et Nutritionnelle en Algérie** (Ravue Stratégique de la Sécurité Alimentaire et Nutritionnelle en Algérie, CREAD, 2018)
7. Biggadike, R.E **The contribution of Marketing to Strategic Management** (Academy of Management Review, Vol 6, N°4, 1981) pp 621-632.

8. Bonaventure Boniface Amos Gyau Randy Stringer, **Linking price satisfaction and business performance in Malaysia's dairy industry** (Asia Pacific Journal of Marketing and Logistics, Vol. 24 Iss 2, 2012) pp.288 – 304.
9. Daniel Labaronne, Meziani Mustapha **Traits culturels, système de management de la qualité et performances en Algérie etude de cas de deux PME (publique et privée) algériennes** (*Management & Avenir* 2010/7, n° 37) p. 34-52.
10. Day, G.S and Wensley, R **Marketing Theory with a Strategic Orientation** (Journal of Marketing, Vol 47, 1983) pp 79-89.
11. Dilek Cetindamar, Hakan Kilitcioglu **Measuring the competitiveness of a firm for an award system** (Competitiveness Review: An International Business Journal Vol. 23 No. 1, 2013) pp. 7-22.
12. FatehMamine **Rationalité de l'informel : une analyse néo-institutionnelle de la filière lait à souk ahras en algérie**(thèse de doctorat, l'école économie et gestion de Montpellier, sciences économiques, 2014).
13. Hakima Souki, **Les stratégies industrielles et la construction de la filière lait en Algérie : portée et limites.** (revue Campus, Université Mouloud Mammeri de TiziOuzou, faculté de sciences de gestion, N° 15, 2009) pp 3-15.
14. James E. Lynch **Only Connect: The Role of Marketing and Strategic Management in the Modern Organisation** (Journal of Marketing Management, 1994, 10) pp 527—542
15. Lachaal L **La compétitivité : Concepts, définitions et applications** (Cahiers Options Méditerranéennes; n. 57, 2001) pp 29-36.
16. Louis Malassis, Gérard Ghersi **Initiation a l'économie agro-alimentaire** (HATIER-AUPELF, 1992).
17. Malik Makhlouf, Etienne Montaigne **L'impact de la nouvelle politique laitière sur la performance globale de la filière en Algérie** (colloque scientifique sfer LML , VetAgro Sup : campus agronomique de Clermont, 09 et 10 juin 2016).
18. McKenna, R. **Marketing is everything.** (Harvard Business Review, 69 (Jan–Feb), 1991), pp65–79.
19. Mohamed Bel Hadia **production et mise sur la marché du lait en algérie entre formel et informel stratégies des éleveurs** (New Medit N 1/2014) pp41-49.
20. Mohammed Kaci, Salah Yahiaoui **études lait conditionné et boissons lactées Algérie** (Cap-PME , APAB, Algérie, Octobre2016-Avril 2017).
21. Mourad Boukella **Les industries agro-alimentaires en Algérie : politiques, structures et performérances depuis l'indépendance** (Montpellier : CIHEAM, 1996, cahiers options Méditerranéennes, n°19) pp 1-67.
22. Nils-Eric Aaby, Anthony F.Mcgann **Corporate Strategy and the Role of Navigational Marketing** (European Journal of Marketing, Vol 23, Iss 10, 1989) pp18-31.
23. Petri Parvinen Henrikki Tikkanen Jaakko Aspara **Corporate strategic marketing: a new task for top management** (Business Strategy Series, Vol. 8 Iss 2, 2007) pp. 132 – 141.
24. S.BEDRANI, A. BOUAÏTA **Consommation et production du lait en Algérie : éléments de bilan et perspectives**". (Cahiers du CREAD n°44, 2ème trimestre 1998), pages 45-70.
25. Sanjay Sharma **Trespass or symbiosis ? Dissolving the boundaries between strategic marketing and strategic management** (Journal of Strategic Marketing, vol 7, 2, 1999) pp 73-88.
26. Špička, J.**The Competitive Environment in the Dairy Industry and its Impact on the Food Industry** (Agris on-line Papers in Economics and Informatics, Volume V, Number 2, 2013) pp 89-102.
27. Valentina Kirova, Jean-François Trinquencoste **A propos du lien marketing-stratégie dans l'entreprise :un cas d'observation participe The Marketing-Strategy interface : A Participant Observation Case Study** (Journal of Marketing Trends, Volume 1 (September 2011), pp 19-33.
28. Webster, F.E.Jr **Top Management's Concerns about Marketing: Issues for the 1980s** (Journal of Marketing, Vol 45, 1981) pp9-16.