

## **Marketing-Finance Interface and its Effects on Organizational Performance**

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# MARKETING-FINANCE INTERFACE AND ITS EFFECTS ON ORGANIZATIONAL PERFORMANCE

## 1. INTRODUCTION

In global competitive scenarios, not only marketing professionals, but also scholars in this area, are under growing pressure to explain and show how marketing investments impact the company's financial results (Rust, *et al.*, 2004). However, in order to achieve the goal of linking marketing results to company performance, it is important that marketing professionals and scholars better understand how the company's performance should be measured (Heldt, *et al.*, 2020).

Traditionally, marketing and finance studies show little interconnectedness. Marketing articles have a greater focus on the market for products and services, while articles on finance have focused on company profitability and shareholder value (Jang, *et al.*, 2013). However, the marketing-finance interface is vital for corporate success, as there are strong interdependencies between the two domains (Ruyter and Wetzels, 2000; Zinkhan and Verbrugge, 2000, Hyman and Mathur, 2005, Jang, *et al.*, 2013, Hanssens, 2019; Porto and Foxall, 2019; Morvan and Le Gall-Ely, 2021); in addition, the marketing-finance interface is an important marketing research field, helping to demonstrate marketing responsibility within the organizations and building the necessary interdisciplinary bridge for financial and accounting research (Edeling, *et al.*, 2020).

The marketing-finance relationship also occurs in retail companies (Cronin Jr and Skinner, 2015, Lamey, *et al.*, 2021). Marketing is effective in generating financial gains (Porto and Foxall, 2019). The firm, by making investments in marketing, can provide better marketing actions that will bring a greater return. In addition, innovation in retail services, brought about by marketing efforts, impacts on shareholder value, and this impact depends on the stage of the consumer's purchase journey focused by innovation and the hedonic or utilitarian nature of the products or services offered by the retailer (Lamey, *et al.*, 2021).

This investigation aims to review the marketing-finance relationship in Brazilian retail companies. The article is justified because there is a need for contemporary management strategies to seek to increase profitability and shareholder value through marketing strategies. Thus, according to Jang, Tang and Park (2013), there is a need to further explore the connections between marketing efforts and financial performance. The gap to be studied in this investigation is pointed out by Jang, *et al.* (2013) and Smyth and Lecoivre (2015), who indicate that little academic research has been focused on studying the relationship between marketing and finance. In contrast, Edeling, *et al.* (2020) have identified and synthesized four key emerging research areas: digital marketing and firm value, tradeoffs between “doing good” and “doing well”, the mechanisms of firm-value effects, and feedback effects.

## 2. LITERATURE REVIEW

The marketing-finance interface addressed in the seminal work by Srivastava, Shervani and Fahey (1998) indicates that the structure proposed by marketing is concerned with the task of developing and managing market-based assets, or assets that arise from the mix of the firm with entities in their external environment (customer relationships, channel relationships and partner relationships).

Marketing literature has focused on sales or profit response from marketing actions, and marketing objectives have traditionally been formulated from the customer perspective (Joshi and Hanssens, 2010). Some of the most used topics in research in the marketing-finance context are the marketing financial impact and marketing accountability; and marketing actions, decisions and expenses (Edeling, *et al.*, 2020). Recently, studies were published on the long-term investor response to marketing actions (Joshi and Hanssens, 2010,

Basgoze, *et al.*, 2016, Bharadwaj, *et al.*, 2020). The view perceived in the empirical research related to the marketing-finance interface is that marketing affects only the operational part of the business (Bharadwaj, *et al.*, 2020). This statement corroborates the understanding of Skiera, *et al.* (2017), suggesting that many events, in particular marketing events, influence only the value of the operating business, but not the non-operating assets and debt. Coda and de Castro (2019) have reported that the marketing-finance relationship is a relevant topic of study in B2B business.

Previous research on the marketing-finance interface explains the link between marketing and business value (Rao and Bharadwaj, 2008; Kamakura and Du 2012; Bharadwaj, *et al.*, 2020). We draw on the existing theory of company valuation at the marketing-finance interface to propose that branding can change the probability distribution of a company's revenues, decrease potential operating deficits (negative operating profits) and thus reduce the company's cash. In the study by Bharadwaj, *et al.* (2020) a negative association exists between brand equity and cash holdings. This result is against the results of Basgoze, *et al.* (2016), where companies that had higher brand values compared to the previous year had significant positive returns in the period.

There are several important factors that can be considered in the marketing-finance interface, such as the return on investment, the return on marketing investment and the return on advertising spend. These, together with the lifetime value of the customer and qualitative decision making, offer ways to move forward with a constructive dialogue in the literature related to the marketing-finance interface (Smyth and Lecoeuvre, 2015).

Customer satisfaction is an important factor that affects the company's investment policy. According to the study by Vo *et al.* (2017) companies with high customer satisfaction will invest more heavily in capital expenditures in the future. The results of this study also show that this positive effect is more pronounced for companies with fewer growth opportunities or with a high capital cost. This would include companies with low market indexes for accounting, young and small companies, or companies in more competitive sectors. Furthermore, it is observed that changes related to greater customer satisfaction are associated with positive effects for shareholders (Edeling, *et al.*, 2020).

Customer satisfaction also affects different dimensions of a company's financial performance. A managerially important but overlooked aspect is customer satisfaction effect on a company's cost of selling (COS), that is, expenses associated with the efforts of persuading customers in providing them with convenience. Customer satisfaction has a statistically and economically significant effect on the future cost of sales, causing that cost to decrease. This effect differs according to the type of company, being weaker for companies with greater capital intensity and financial leverage, while it is stronger for companies operating in sectors with higher growth and labor intensity (Lim, *et al.*, 2020).

It is relevant for marketing, especially about measuring the firm's performance, to deepen the connection with the financial aspects in order to advance the understanding of how such a construct (firm's performance) should be measured. However, few marketing studies explore the metrics with a broader view, analyzing the marketing and financial uses of the company's performance metrics, observing objective and subjective measures (Heldt, *et al.*, 2020). Implementing a formal strategy formulation process positively relates to firm performance (Borrero et al, 2020).

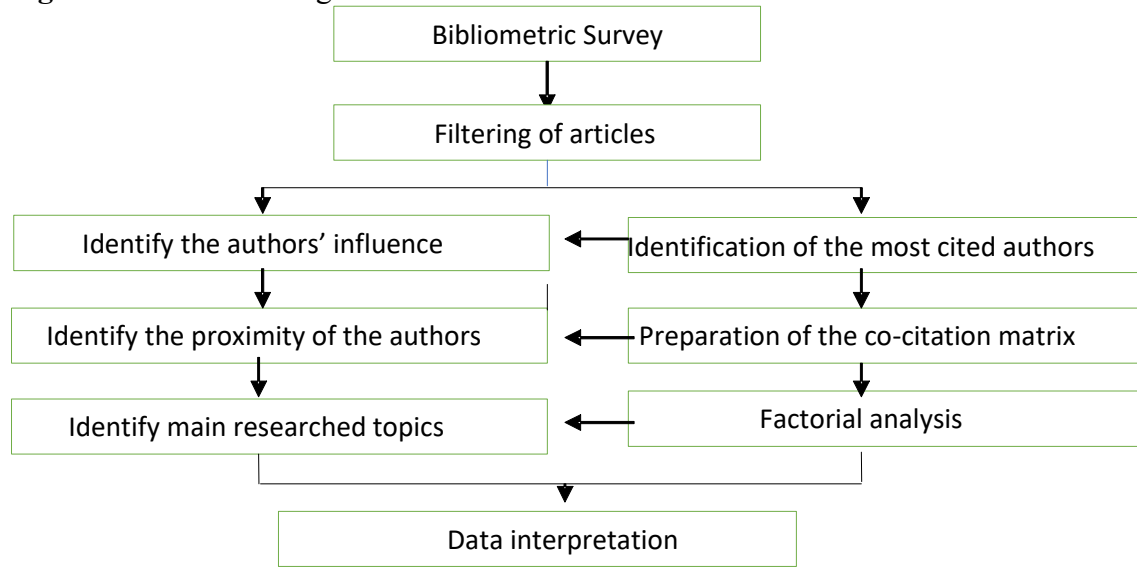
Kihn (2011) say how different organizational areas such as finance and marketing dealing with the budgeting targets. In this way Mucci et al (2021) argue that there are variations in how managers perceive the enabling budgeting characteristics and usefulness.

### 3. METHOD

This article is divided into two parts. The first part is the bibliometric, using the co-citation technique to identify the constructs to be used in this research. The second part is the field survey.

The bibliometric study considered the Scopus and Web of Science Core Collection databases from the Web of Science, used because they are some of the most widely used databases in applied social sciences. Figure 1 represents the steps taken to carry out this research.

**Figure 1.** Research design



Source: prepared by the authors (2021).

In the first stage of the research, 9451 articles were found. The keywords used were: (Financ\* AND marketing AND manage\* AND business) The use of the asterisk at the end of the keyword captured all possible variations of the keyword in the titles, abstracts and keywords (option “topic”) of the articles selected. The second step was to manually check those results to ensure that they were all related to the topic by reading the titles and abstracts, resulting in 1245 articles until the year 2020.

In this bibliometric study, two main analyses will be used: co-citations and the analysis of the most frequently researched themes. Co-citation analysis is based on examining how often a certain pair of works is cited in other papers, seeking to show their interrelationships based on the citation data. The analysis of the most frequently researched themes is based on factor analysis with Varimax rotation to identify the proximity of citations (Acedo, *et al.*, 2006; Lin and Cheng, 2010; Lima, *et al.*, 2020). In bibliometric research, a factor is considered a subfield and represents theoretical bases from the analysis of authors who have high loads on that factor. The objective of this part of the study is to identify factors extracted from the literature to test them later in an empirical research.

The second part of the research involved an empirical research with a quantitative, conclusive, descriptive approach, with a survey data collection using the Google Forms tool and analysis using descriptive statistics and the Partial Least Squares structural equation modeling technique.

Data were collected using a survey questionnaire. The initial questionnaire was pre-tested. At first, a group of experts (composed of researchers, marketing professionals) revised the initial questionnaire and provided feedback on the instrument's ease of understanding, consistency and adequacy of the sequence of items, which led to some specific changes, such

as the decrease in the number of questions (from 24 to 22). After updating the instrument, to reduce the possibility of non-random errors, the preliminary questionnaire model was administered in a test group composed of 20 respondents (with a profile similar to that of the present study, but not sample participants), in order to review and improve the instrument's content regarding validity and integrity. Based on the respondents' comments, minor adjustments were made to the questionnaire wording to improve ease of understanding. The questionnaire has statements about the themes to be studied, being measured in a 5 points Likert-type scale.

Data collection was undertaken online between 9/17 and 10/28/2020, via Google Forms tool with dissemination on social media and sending by email, and offline, applied personally in Brazilian retail companies. In pandemic process Lopez-Morales et al (2021) says the actions taken by companies facing a public health disaster need be planned.

In the data analysis, the completion and validation of the questionnaires received were initially verified. Of the total 133 questionnaires collected, 122 were valid questionnaires and 11 were excluded because they were not completely filled out. Then, the collected data were entered into Excel spreadsheets and analyzed using descriptive statistics and the partial least square structural equation modeling technique, with the support of the SmartPLS software, version 3.

## 4. RESULTS

### 4.1 Co-citation analysis and most frequently researched topics

The co-citation matrix was converted to a Pearson correlation matrix for factor analysis input using SPSS software. Factors were extracted using the principal components method, with Varimax rotation and Kaiser normalization. Documents with a load factor greater than or equal to 0.60 composed the factor. Documents with cross loads were attributed to the factor in which their load was greater. This allowed a theoretical grouping of studies through factors extracted (Table I).

**Table I.** Factorial Analysis Result

	Factor 1	Factor 2	Factor 3
Titman S, 1988, V43, P1, J Financ	0.856	0.283	-0.086
Myers S, 1977, V5, P147, J Financ Econ,	0.856	0.273	-0.08
Wooldridge J, 2010, 2Nd Edition, P1, Econometric Analysis Of Cross Section And Panel Data	0.848	0.159	-0.074
Modigliani F, 1958, V48, P261, Am Econ Rev	0.846	0.232	-0.052
Gruca T, 2005, V69, P115, J Marketing	0.828	0.385	0.004
Mizik N, 2007, V26, P361, Market Sci	0.821	0.292	-0.107
Myers S, 1984, V13, P187, J Financ Econ,	0.793	0.256	0.006
Erickson G, 1992, V38, P1264, Manage Sci,	0.781	0.375	0.248
Fama E, 1993, V33, P3, J Financ Econ,	0.77	0.155	-0.048
Mizik N, 2010, V47, P594, J Marketing Res,	0.769	0.318	-0.174
Luo X, 2008, V72, P98, J Marketing	0.764	0.29	-0.155
Keller K, 2006, V25, P740, Market Sci	0.748	0.318	-0.029
Barney J, 1991, V17, P99, J Manage	-0.344	0.734	-0.303
Gupta S, 2004, V41, P7, J Marketing Res,	-0.203	0.682	0.514
Mizik N, 2003, V67, P63, J Marketing,	-0.29	0.668	0.206
Hunt S, 1995, V59, P1, J Marketing,	-0.376	0.664	0.287

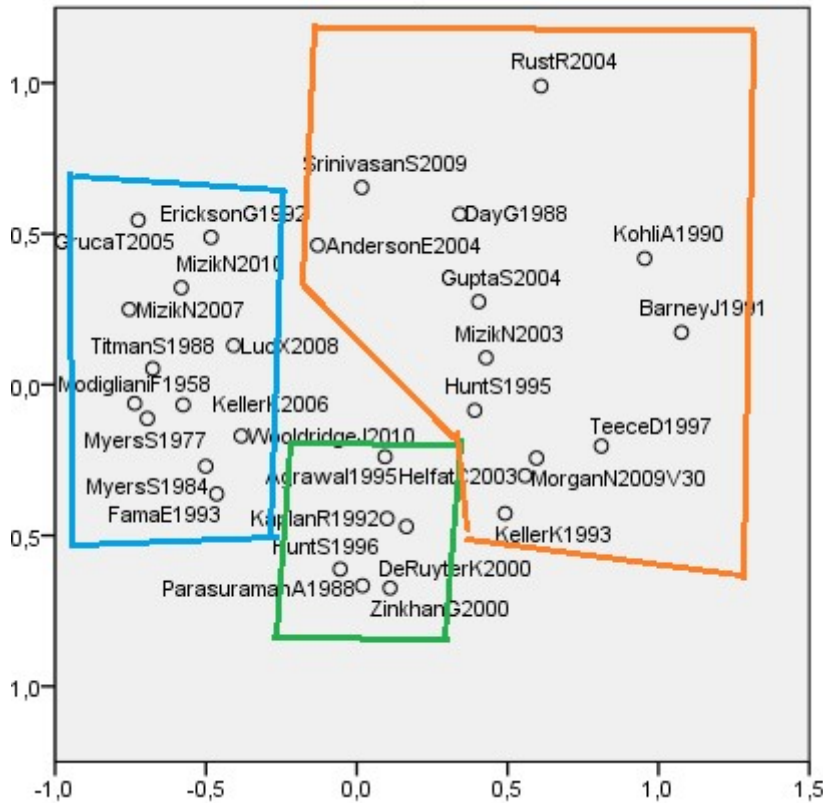
Kohli A, 1990, V54, P1, J Marketing,	-0.469	0.65	0.009
Helfat C, 2003, V24, P997, Strategic Manage J,	-0.416	0.644	-0.315
Anderson E, 2004, V68, P172, J Marketing,	0.46	0.641	-0.083
Morgan N, 2009, V30, P909, Strategic Manage J,	-0.539	0.633	-0.195
Rust R, 2004, V68, P76, J Marketing,	-0.141	0.627	0.213
Keller K, 1993, V57, P1, J Marketing,	-0.399	0.619	-0.364
Srinivasan S, 2009, V46, P293, J Marketing Res,	0.287	0.604	-0.191
Teece D, 1997, V18, P509, Strategic Manage J,	-0.486	0.602	-0.272
Kaplan R, 1992, V70, P71, Harvard Bus Rev	-0.098	0.401	0.765
Agrawal J, 1995, V59, P56, J Marketing,	0.062	0.405	0.746
Zinkhan G, 2000, V50, P143, J Bus Res,	-0.088	0.269	0.722
Day G, 1988, V52, P45, J Marketing,	0.033	0.494	0.721
Parasuraman A, 1988, V64, P12, J Retailing	-0.163	0.058	0.717
De Ruyter K, 2000, V50, P209, J Bus Res,	-0.145	0.164	0.713
Hunt S, 1996, V60, P107, J Marketing,	-0.183	0.34	0.612

Source: prepared by the authors (2021).

According to Table I, the first factor refers to marketing actions based on financial knowledge; the second factor refers to marketing actions and business strategy; the third factor is the organization's performance.

To visualize the theoretical and conceptual relationships between the articles, we prepared a co-citation map using Multidimensional Scaling (MDS) that resulted from the EFA. The map was generated using IBM-SPSS v. 20 software and is shown in Figure 2.

**Figure 2.** Multidimensional Scaling (MDS)



Source: prepared by the authors (2021).

Each of the factors extracted from the bibliometric research is presented below: the first factor refers to marketing actions based on financial knowledge; the second factor refers to marketing actions and business strategy; the third factor is the performance of the organization. Table 1 presents the factors found and analyzed in the bibliographical research, their descriptions and reference for the questionnaire's assembly.

**Chart 1 – Framework dimensions, description and reference**

<b>Factors</b>	<b>Description</b>	<b>References</b>
Factor 1 - Marketing actions based on financial knowledge	Financial investment decisions, the organization's capital structure, business strategy and myopic management influence customer satisfaction, Brands and Branding.	Myers (1977), Titman and Wessels (1988), Gruca and Rego (2005); Keller and Lehmann (2006); Mizik and Jacobson (2007); Mizik (2010)
Factor 2 - Marketing actions and business strategy	Firm Resources and Sustained Competitive Advantage geared towards marketing orientation and valuing and satisfying customers	Kohli and Jaworski (1990), Barney (1991), Helfat and Peteraf (2003), Gupta, Lehmann and Stuart (2004), Morgan, Vorhies and Mason (2009)
Factor 3 –Firm Performance (feedback effects)	The marketing-finance interface promotes actions that enhance the quality of service and the organization's performance	Parasuraman, Zeithaml and Berry (1988), Kaplan and Norton (1992), Zinkhan and Verbrugge (2000), De Ruyter and Wetzels (2000).

Source: prepared by the authors (2021).

Statements were presented for each factor, as expressed in the table below.

**Chart 2 – Questionnaire assertions**

<b>Assertion</b>	<b>Factor</b>
M&F1 - Company management uses cash flow data for marketing decisions	Factor 1 -

M&F2 - Company management uses data from the balance sheet for marketing decisions	marketing actions based on financial knowledge
M&F3 - Company management uses data from the income statement for marketing decisions	
M&F4 - Company management uses data from its budget for marketing decisions	
M&F5 - Company management uses data from its financial planning for marketing decisions	
M&F6 - Company has credit policy for installment sales	
M&F7 - The company knows the product and selling price based on costs	
M&F8 - Company calculates the cost of products	
M&F9 - Company calculates the impact of marketing decisions on the company's working capital needs	
M&F10 - Company calculates the impact of marketing decisions on the possibility of borrowing	
M&F11 - Company calculates the impact of marketing decisions on company profit	
MKT1 - The company works in customer retention	
MKT2 - The company works to identify profitable customers	
MKT3 - The company operates in the acquisition and retention of profitable customers	
MKT4 - The company identifies the average value of consumer transactions	
FP1 - Compared to our competitors' average, we grow faster.	Factor 3 - organization performance
FP2 - In general, our company performs better today than it did 12 months ago.	
FP3 - In general, our company performs better today than it did 5 years ago.	
FP4 - Over the past 12 months, our company has achieved its performance goals	
FP5 - Over the past 5 years, our company has achieved its performance goals.	
FP6 - Compared to the average of our competitors, we are more profitable	
FP7 - Compared to our competitors' average, we have better market share.	

Source: prepared by the authors (2021).

Thus, the hypotheses to be tested in this research are:

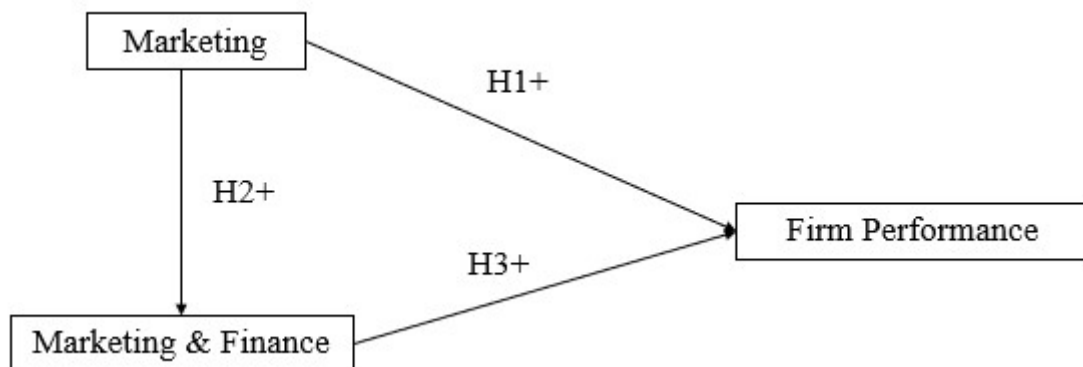
H1 - Marketing actions and business strategy (Factor 2) positively influence the organization's performance (Factor 3).

H2 - Marketing actions and business strategy (Factor 2) positively influence marketing actions based on financial knowledge (Factor 1).

H3 - Marketing actions based on financial knowledge (Factor 1) positively influence the organization's performance (Factor 3).

From this understanding of the relationship between the factors found in the bibliometric study, it was possible to build the research framework that will be empirically tested in Brazilian retail companies.

**Figure 3.** Research Framework



Source: prepared by the authors (2021).



## 4.2 Empirical Research

In this subsection, the analysis of the Partial Least Squares will be performed in two steps: evaluation of the measurement model and analysis of the structural model, both of which are further broken down.

### 4.2.1 Model Evaluation - Validity and Reliability

After exporting the collected primary data to the SmartPLS software, version 3, and after carrying out its configurations, a report of the preliminary data obtained was generated. The evaluation of the model was started through its convergent validity, reliability and discriminant validity, as recommended by Hair Junior, Hult, Ringle and Sarstedt (2017)

It was found that the AVE of Latent Variables (LV) values, according to Ringle, Silva and Bido (2014) greater than 0.50 are acceptable, and values greater than 0.40 may be acceptable in applied social sciences.

Once convergent validity was assured, the next step consisted of evaluating the Discriminant Validity of the model, which indicates whether the constructs or variables are independent of each other (Hair Junior, *et al.*, 2017). First, the crossed factor loadings were evaluated according to the criterion of Chin (1998), which proved to be adequate, as shown in Table II.

**Table II** - Values of OV cross loads in LV:

Variable	Firm Performance	Marketing & Finance	Marketing
FP1	<b>0.835</b>	0.528	0.461
FP3	<b>0.887</b>	0.516	0.413
FP5	<b>0.914</b>	0.532	0.436
FP6	<b>0.811</b>	0.515	0.340
FP7	<b>0.648</b>	0.261	0.143
M&F1	0.502	<b>0.796</b>	0.294
M&F3	0.573	<b>0.923</b>	0.469
M&F4	0.424	<b>0.859</b>	0.444
M&F5	0.451	<b>0.905</b>	0.490
M&F7	0.462	<b>0.624</b>	0.214
M&F8	0.478	<b>0.678</b>	0.400
M&F11	0.341	<b>0.742</b>	0.348
MKT1	0.347	0.458	<b>0.845</b>
MKT2	0.491	0.527	<b>0.938</b>
MKT3	0.347	0.458	<b>0.845</b>

Source: Prepared by the author, based on research data (SMARTPLS3<sup>®</sup>, 2021).

By analyzing Table 3, it can be seen that the factor loadings of the Observed Variables (OV) in the original Latent Variables (LV) are higher when compared to the other constructs. Thus, the model has discriminant validity (DV), according to Chin's criteria (1998). Subsequently, the DV was evaluated according to the criterion of Fornell–Larcker, which according to Hair Junior, *et al.* (2017) is considered more conservative. Table III presents the values of the correlations between LV and square roots of the AVE values on the main diagonal (highlighted).

**Table III** - Correlation values between LV and square roots of AVE values on the main diagonal (highlighted)

	Firm Performance	Marketing	Marketing & Finance
Firm Performance	<b>0.824</b>		
Marketing	<b>0.459</b>	<b>0.883</b>	
Marketing & Finance	<b>0.590</b>	<b>0.488</b>	<b>0.797</b>

Source: Prepared by the author, based on research data (SMARTPLS3®, 2021).

Through the analysis of Table 3, we can see that all the values of the correlations between the latent variables are smaller than the square roots of their AVE; therefore, the Fornell–Larcker criterion was met.

The results from the Heterotrait-Monotrait Ratio (HTMT) criterion are shown in Table IV.

**Table IV – HTMT criterion**

	Firm Performance	Marketing	Marketing & Finance
Firm Performance			
Marketing	0.487		
Marketing & Finance	0.641	0.516	

Source: Prepared by the author, based on research data (SMARTPLS3®, 2021).

It is noteworthy that, based on the results of the studies by Henseler, *et al.* (2015) and on previous research, the authors of this paper suggest a threshold value of 0.90, so the discriminant validity of latent variables is also attested by the HTMT criterion.

Finally, internal consistency values were evaluated using Cronbach's alpha and composite reliability. Table V shows these values, together with the values related to AVE.

**Table V - Values related to the internal consistency of the model**

Dimension	Cronbach's alpha	Composite Reliability	AVE
Firm Performance	0.881	0.913	0.679
Marketing	0.861	0.914	0.780
Marketing & Finance	0.900	0.923	0.634

Source: Prepared by the author, based on research data (SMARTPLS3®, 2021).

It can be seen in Table 5 that the Cronbach's alpha of the constructs is greater than 0.80. Also, the reliability criterion met was considered, through the composite reliability indices, which were above the minimum limit of 0.7 (Hair Junior, *et al.*, 2017).

Therefore, by validating the measurement model, based on the criteria described above, the next subsection will be dedicated to the analysis of the structural model.

#### 4.2.2 Structural model assessment

The first evaluation carried out consisted of the analysis of collinearity, that is the Variance Inflation Factor (VIF). Table VI shows these values.

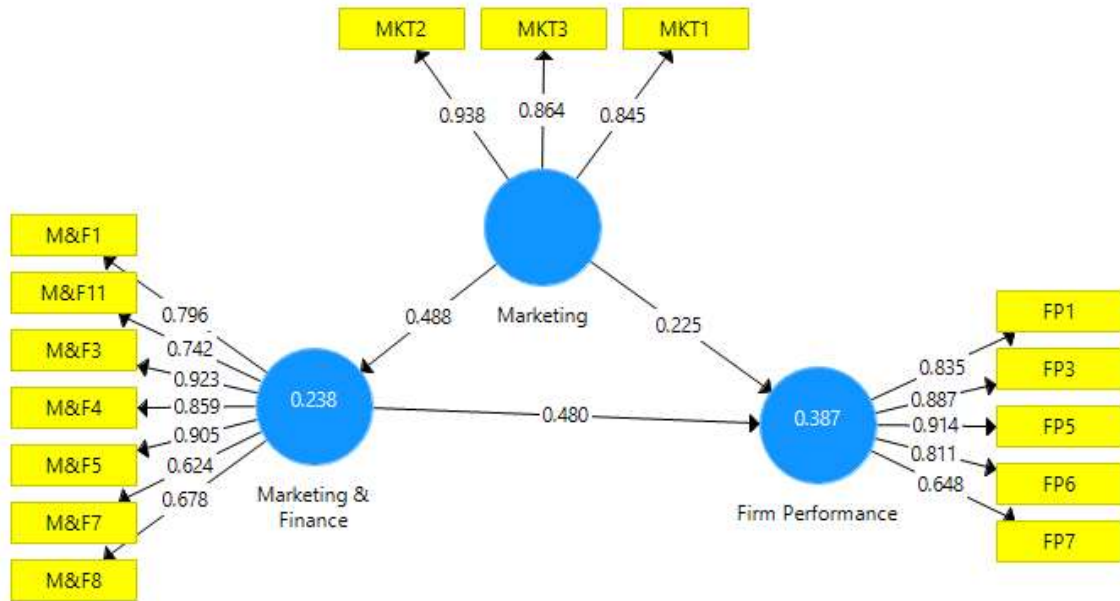
**Table VI - Values related to the Variance Inflation Factor (VIF).**

Variable	VIF	Variable	VIF	Variable	VIF
FP1	2.068	FP3	6.074	FP5	6.819
FP6	2.390	FP7	1.734	M&F1	2.613
M&F11	2.880	M&F3	4.874	M&F4	5.788
M&F5	7.302	M&F7	3.592	M&F8	4.005
MKT1	1.778	MKT2	3.181	MKT3	2.703

Source: Prepared by the author, based on research data (SMARTPLS3®, 2021).

As all values are below ten and only four variables are above five, it was decided to keep all variables. Subsequently, Pearson's coefficients of determination ( $R^2$ ) were evaluated. According to Ringle, *et al.* (2014, p. 67), the  $R^2$  “evaluates the portion of the variance of the endogenous variables, which is explained by the structural model”. Figure 4 shows the structure of the measurement model, with the values of  $R^2$  and path coefficients.

**Figure 4 – Proposed model, R<sup>2</sup> path coefficients.**



Source: SmartPLS3<sup>®</sup> (2021).

According to Cohen (1988), for the area of social and behavioral sciences, the coefficient usually varies between 2% and 26%, being R<sup>2</sup>=2% considered as a small effect; R<sup>2</sup> = 13% medium effect and R<sup>2</sup> = 26% large effect. On the other hand, Hair Junior, *et al.* (2011) consider that R<sup>2</sup> results above 0.20 are considered high in subjects such as consumer behavior. The R<sup>2</sup> of endogenous LVs is 0.238 for Marketing & Finance and 0.387 for Firm Performance. It is verified that the endogenous LV present R<sup>2</sup> above the percentage suggested as large/high, according to the classifications of Cohen (1988) and Hair Junior, *et al.* (2011); all of them have a large effect on the model.

To test the significance of the relationships indicated, the bootstrapping technique was used. Thus, a bootstrapping resampling procedure and analysis was performed with 5,000 bootstrap samples per group. As shown in Table 2, the results are above the reference value (1.96), with the exception of Hypothesis 1.

Marketing was positively related to finance-based marketing actions ( $\Gamma = 5,344$ ;  $p < 0.001$ ), supporting Hypothesis 1. It was observed that the relationship between finance-based marketing actions and organizational performance was positive and highly significant ( $\Gamma = 4.268$ ;  $p < 0.001$ ), supporting Hypothesis 3. Therefore, Table 3 summarizes the results of the hypothesis tests performed. Three hypotheses were supported with  $p < 0.001$ .

**Chart 3- Hypothesis testing**

Hypothesis	Path	T Statistics	P Values	Results
H1	Marketing → Firm Performance	1.859	0.064	Not Supported
H2	Marketing → Marketing & Finance	5.344	0.000	Supported
H3	Marketing & Finance → Firm Performance	4.268	0.000	Supported

Source: prepared by the author (2021).

#### 4.3 Discussion of results against theory

Seven variables were observed that did not make up the final model. We tried to deduce that the variables were related to organizational performance FP2 - In general, today

our company exhibits a better performance than it did 12 months ago FP4 - In the last 12 months, our company has achieved its performance goals did not make up the model end due to the pandemic moment of 2020, when the field research was applied. The other five variables observed: M&F2 - Company managerially uses balance sheet data for marketing decisions, M&F6 - Company has credit policy for sales by installments, M&F9 - Company calculates the impact of marketing decisions on the working capital need of the company, M&F10 - Company calculates the impact of marketing decisions on the possibility of borrowing, MKT4 - The company identifies the average value of consumer transactions corresponding to short-term finance and should be part of the marketing-finance relationship.

Considering that H1 was not supported, it is assumed that in Brazil, retail companies need to relate marketing actions with financial knowledge to enhance the organization's performance.

By supporting H2, the presence of a statistically positive marketing influence on the firm's financial results is suggested. This result confirms the importance of connecting marketing actions and strategies to a company's financial results, aiming at a better analysis of the outcomes generated by such activities.

The internet has been the innovation that has brought the most changes to marketing as e-commerce with native and many disruptive companies have made traditional retailers present themselves in digital; for this performance, they initially used multichannel, which did not satisfactorily serve, evolving to omnichannel as the boundaries between the physical and the virtual began to disappear, demanding greater attention in terms of the consumer's experience; retailers now have an area responsible for the experience of this new consumer, who now have more information about the product, its benefits and attributes, and access to price comparisons in different competitors in a quick, easy and real-time way. In this new reality, value creation has gone from analyzing and understanding how much customers create value for an organization to how much value companies create for their customers; a clear shift in the power axis (Lemon and Verhoef, 2016). This new reality has further squashed margins and competition between retailers reaches the freight price and the difference in delivery time, being more than necessary the integrated performance of the marketing and finance areas as the integration between the channels requires an integration each increasing between the different areas of the company.

We observed that, through empirical support for H2, marketing planning actions are essential for the marketing-finance relationship to be achieved. We also observed that the marketing-finance relationship has a moderating effect between marketing and organizational performance (H3), which corroborates the findings of Heldt, *et al.* (2020).

The understanding that the marketing-finance interface corresponds to the marketing effect in the business finance operational sphere (Joshi and Hanssens, 2010, *et al.*, 2016, Skiera, *et al.*, 2017, Coda and de Castro, 2019, Bharadwaj, *et al.*, 2020) was corroborated in this investigation, through the empirically tested model and of the statistical support of H3.

The model generated in this research from Brazilian retail companies also corroborates the findings of Cronin Jr and Skinner (2015) and Lamey, *et al.* (2021), where it was also possible to observe the marketing-finance relationship in retail companies.

The study, by supporting H3, corroborates the relationship between marketing and finance with feedback effects, which is one of the key areas of research identified by Edeling, *et al.* (2020).

In 2020, in the midst of the Covid pandemic, the largest supermarket wholesaler in Brazil (B2B) had a market growth of 714.54%, which gives the company's financial decision makers security of investment assertiveness and guarantees the continuity of investments in this area of marketing. Small and micro retail companies do not always have the knowledge and technology to do so, but little by little they are implementing and using some of them,

such as whatsapp, facebook and instagram, mainly, which favors the fine tuning between marketing and finance.

## 5. FINAL CONSIDERATIONS

This research aimed to analyze the marketing-finance relationship in Brazilian retail companies. Thus, the study sought to demonstrate that the marketing-finance interface is an important field of research in marketing, helping to highlight the marketing responsibility in retail companies and bringing it closer together in an interdisciplinary way with financial and accounting research.

Ten years ago, for a retail company to operationalize a certain campaign (B2C), expenses were simply calculated and then the supplier paid in products, advantages in indoor spaces with privileged exhibition spaces, longer terms, discounts or even in cash. Today the situation is very different, mainly due to the increment and innovation with technology in the support and sales processes, it is possible to see the results with a "click", so the supplier pays or contributes to the campaign that he literally realizes the return, in in many situations, technology allows us to calculate the results as they happen, simultaneously.

All information that travels through social media such as whatsapp, facebook, instagram, twitter, linkedin, youtube, blog, pinterest, snapchat, tik tok, as well as by email, sms, ads display, have advantages of lower cost, speed delivery, capillarity and simultaneous monitoring that allows process managers an undisputed visibility of what is happening, showing a series of key information for decision-making in the Marketing and Finance departments. Large and medium-sized retail companies have most of their results as they happen.

It was found that in retail companies in Brazil marketing knowledge and business strategy positively influence marketing actions based on financial knowledge, just as the latter influences organizational performance.

The results reveal that some theoretical gaps remain in these studies. The mapping shows that a deeper theoretical approach is needed to better understand the interrelationships involving the three related factors. The results demonstrate that these phenomena cannot be treated individually. This is an important indicator for the development of new research.

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