



## INTERSECTIONS BETWEEN MARKETING CAPABILITIES, STRATEGIC ORIENTATION, AND THE DEGREE OF INTERNATIONALIZATION OF BRAZILIAN MULTINATIONAL COMPANIES

Cristina Anita Cassol<sup>1\*</sup> , Flavia Luciane Scherer<sup>1</sup> , Soraya de Souza Soares<sup>1</sup>  & Ivanete Schneider Hahn<sup>2</sup> 

<sup>1</sup>Universidade Federal de Santa Maria – Santa Maria (RS), Brazil.

<sup>2</sup>Universidade Alto Vale do Rio do Peixe – Caçador (SC), Brazil.

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### ABSTRACT

**Objective:** This study was designed to verify if the domain of marketing capabilities and the predominant strategic orientation influences Brazilian multinational companies' internationalization degree. **Method:** We analyzed 69 Brazilian multinational companies (MNCs), and identified four MNCs engaged in the business-to-consumer (B2C) market, in that they sell directly to consumers and have marketing activities targeted to the final consumer. The MNCs are: Alpargatas S.A., Arezzo&Co, Cia. Hering, and Natura &Co Holding S.A. Data were collected by desk research with an analysis of the companies' public documents and reports. Subsequently, we conducted a content analysis to synthesize the main findings. **Main Results:** Through analysis, it was found that marketing capabilities act as a driver in creating strategies to improve performance in the domestic and foreign markets. **Relevance / Originality:** The study enriches academic discourse by demonstrating the tailored application of strategies like omnichannel integration and brand management within these MNCs, offering fresh insights that challenge and extend existing frameworks on international business and marketing. **Theoretical / Methodological Contributions:** We underscore the importance of strategic alignment between marketing capabilities and business strategies and showcase the distinctive paths MNCs take in leveraging these capabilities for international market success.

**Keywords:** Strategy, International business, Marketing capabilities, Emerging markets multinationals.

## INTERSECÇÕES ENTRE CAPACIDADES DE MARKETING, ORIENTAÇÃO ESTRATÉGICA E O GRAU DE INTERNACIONALIZAÇÃO DE EMPRESAS MULTINACIONAIS BRASILEIRA

### RESUMO

**Objetivo:** Este estudo foi desenvolvido para verificar se o domínio das capacidades de *marketing* e a orientação estratégica predominante influenciam o grau de internacionalização das empresas multinacionais brasileiras. **Método:** Analisaram-se 69 empresas multinacionais brasileiras (EMNs) e identificaram-se quatro delas engajadas no mercado *business-to-consumer*, vendendo diretamente aos consumidores e com atividades de *marketing* voltadas ao consumidor final. As EMNs são: Alpargatas S.A., Arezzo & Co., Cia. Hering e Natura & Co. Holding S.A. Os dados foram coletados por meio de pesquisa documental com análise dos documentos e relatórios públicos das empresas. Posteriormente, realizamos uma análise de conteúdo para sintetizar os principais achados. **Principais Resultados:** Por meio da análise, verificou-se que as capacidades de *marketing* atuam como um impulsionador na criação de estratégias para melhorar o desempenho nos mercados doméstico e estrangeiro. **Relevância / Originalidade:** O estudo enriquece o discurso acadêmico ao demonstrar a aplicação personalizada de estratégias como integração *omnichannel* e gestão de marcas nessas EMNs, oferecendo novos *insights* que desafiam e ampliam os modelos existentes sobre negócios internacionais e *marketing*. **Contribuições Teóricas / Metodológicas:** Destaca-se a importância do alinhamento estratégico entre capacidades de *marketing* e estratégias de negócios, e mostramos os caminhos distintos que as EMNs tomam para avançar essas capacidades para o sucesso no mercado internacional.

**Palavras-chave:** Estratégia, Negócios Internacionais, Capacidades de *Marketing*, Multinacionais de Mercados Emergentes.

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\*Corresponding author: [cristina.cassol@hotmail.com](mailto:cristina.cassol@hotmail.com)

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## INTRODUCTION

Marketing capabilities are defined as the capacities of a company to utilize its available resources effectively in the execution of marketing activities to achieve desired outcomes, encompassing collective skills, knowledge, and the coordination of activities to transform them into valuable organizational assets (Morgan et al., 2012; Mulyana et al., 2021). Furthermore, these capabilities involve the process through which a firm absorbs new knowledge-based resources, transforms them into effective knowledge management processes, and generates products or services that are commercially viable in their target markets. This dynamic capability enables the firm to continuously reconfigure its marketing strategies to respond agilely to changing market demands (Hoque et al., 2022; Wang & Hsu, 2018). In this research, the marketing capabilities follow the classification proposed by Morgan et al. (2009), which categorizes them into seven distinct areas: pricing, product management, distribution management, marketing communication, sales, marketing positioning, and marketing implementation.

Researchers underscore the critical role of marketing capabilities in enhancing corporate performance (Ali et al., 2020; Chang et al., 2024; Gotteland et al., 2020). However, the mechanism of strategic orientation on corporate performance is still controversial (Han et al., 2022) — particularly in the context of global markets. Studies by Morgan et al. (2009, 2012, 2018) highlight that a firm's ability to concentrate and specialize in marketing capabilities enables it to devise impactful marketing strategies in the export market, thereby significantly enhancing its performance (Gregory et al., 2017).

While existing literature extensively discusses the impact of marketing capabilities on corporate performance (Ali et al., 2020; Chang et al., 2024; Gotteland et al., 2020; Han et al., 2022) and strategic deployment in global markets (Morgan et al., 2018), there is a notable dearth of studies that specifically analyze how these capabilities, when integrated with strategic orientations proposed by Miles et al. (1978), affect the internationalization process of firms from developing countries like Brazil — and this is the main gap we are looking to solve in this paper.

This is because the environment surrounding internationalization is intricate, and, as such, the prevalent focus on exploring the relationships between capabilities and performance might have overlooked a detailed, step-by-step analysis of whether the inconsistencies in capability-performance outcomes can be attributed to certain organizational capabilities failing to yield competitive advantages (Falahat et al., 2020).

In terms of strategic orientation, Miles et al. (1978) argue that an organization's success depends on the external (environment) and internal processes (strategy, structure, processes, and ideology). They propose four strategic orientations — prospecting, defending, reacting, and analyzing (Hawrysz, 2020; Meier et al., 2010). Each strategic orientation leads to a different response to entrepreneurial, engineering, and administrative problems (Miles et al., 1978). Guided by strategic orientations, companies must consistently provide superior value to sustain a robust market position over an extended period (Gotteland et al., 2020). Ingram et al. (2016) point out that Miles et al.'s (1978) conception, despite being widely used around the world, lacks studies in companies from developing countries, as is the case of Brazilian multinational companies.

This research explores the nuanced impact of marketing capabilities on the choice of entry modes into foreign markets and the selection of destination countries, areas that remain underexplored in the context of Brazilian MNCs. Additionally, it seeks to provide a detailed empirical analysis of how marketing capabilities — such as pricing, product management, distribution management, marketing communication, sales, marketing positioning, and marketing implementation —, aligned with strategic orientations, can drive or hinder the international expansion of these firms, thereby offering new insights into the dynamics of global business strategy among emerging market multinationals.

Looking for emerging markets multinationals (EMMs) is becoming a major topic in international business (IB), as most studies and traditional IB theories have historically been based on MNCs from developed markets (Boldrini et al., 2024). In recent years, the interest in EMM research has surely increased (such as Gammeltoft & Panibratov, 2024; Li et al., 2024; Mazé et al., 2024; Zhou, 2024), but most

empirical and conceptual studies are limited to specific countries, mainly in Asia, as explained by Boldrini et al. (2024).

Previous studies looked at Brazilian MNCs in several aspects, such as Cantoni et al. (2019), who investigated the antecedents of three Brazilian franchisors' internationalization processes concerning their international marketing strategies. Fagundes et al. (2018) analyzed the role of technology-based companies' (TBCs) internationalization drivers on international performance; Stocker et al. (2022) propose an integrative model of risk analysis and influencing factors regarding the propensity and speed of the born globals internationalization process. Bausch et al. (2022) studied management practices in multinational companies as a central topic in international business. Klein (2023) looked at the economic implications of strengthening international standards in trade secret protection. Ribeiro et al. (2022) verified the factors that facilitate the development of the capacity to generate innovations in a subsidiary of a multinational company. And there are other studies.

Thus, this study offers novel insights into the dynamics of strategic decision-making and capability deployment in the complex environment of global markets, enhancing our understanding of how firms from emerging markets navigate international challenges, and contributing to the international business literature.

## 1. STRATEGIC ORIENTATION DIMENSIONS AND RELEVANCE IN ORGANIZATIONS

According to Morgan et al. (2018), numerous significant questions remain unresolved in both the conceptualization and empirical research of international marketing capabilities. To the best of our knowledge, few studies have addressed these issues in the literature in past years.

Strategic orientation theory is based on the assumption that organizations face a dynamic process of always adapting to environmental changes and uncertainties, given the complexity and number of decisions to be taken. Thus, environmental adaptation is necessary given that the organization must maintain an effective alignment with its environment, along with the efficient management of internal interdependencies (Miles et al., 1978).

In this sense, the strategic orientation choice holds that the organizational structure is partially ordered by environmental conditions, the emphasis is on the role of top managers, who are the primary link between the organization and the environment. According to the organizational adaptation model, organizations are classified into four types, due to their predominant strategic behavior: defenders, prospectors, analysts and reactors — later, the latter was no longer considered because it represented precisely the absence of strategic behavior (Miles et al., 1978).

To understand the complex and dynamic process of organizational adaptation, as well as the behavior and positioning of the company, the authors Miles et al. (1978) developed a general model called the adaptive cycle. The adaptive cycle is summarized by Miles et al. (1978) in the following aspects:

- the adaptive cycle is a general physiology of organizational behavior;
- the three adaptive problems — business, engineering, and administrative — are intrinsically related;
- adaptation often happens by moving sequentially through the business, engineering and administrative phases, but the cycle can be started at any of these points;
- adaptive decisions taken today tend to consolidate and become restrictive aspects of tomorrow's structure.

According to the organizational adaptation model, the authors classify organizations into four types, according to the predominant strategic behavior: defenders, prospectors, analysts, and reactors — as shown in Table 1.

Organizations that adopt the defender strategy are those that have narrow product-market domains because, in these organizations, top managers are experts in their organization's limited area of operation but are not inclined to look for new opportunities outside their domain. Analysts are those who operate in two types of product-market domains, one relatively stable, the other changing, and prospectors are often the creators of environmental change and uncertainty, continuously seeking market opportunities, and regularly experimenting with potential responses to environmental trends (Scherer & Mussi, 2000).

**Table 1.** Miles and Snow’s typology.

	<b>Strategy</b>	<b>Environment</b>	<b>Organizational Characteristics</b>
<b>Prospector</b>	Innovative. Find new market opportunities. Grow. Take risks.	Dynamic and growing	Creative, innovative. Flexible and decentralized.
<b>Defender</b>	Protect turf. Retrench, hold current market.	Stable	Tight control and flexibility, efficient production, low overhead.
<b>Analyzer</b>	Maintain current market plus moderate innovation.	Moderate change	Tight control and flexibility, efficient production, creativity.
<b>Reactor</b>	No clear strategy. React to specific conditions. Drift.	Any condition	No clear organizational approach.

Source: Based on Miles et al. (1978).

The defender, the prospector, and the analyzer can all be proactive concerning their environments, though each is proactive in a different way. The reactor exhibits a pattern of adjustment to his/her environment that is both inconsistent and unstable; this type lacks a set of response mechanisms that he/she can consistently put into effect when faced with a changing environment. Consequently, reactors exist in a state of almost perpetual instability, that is, the reactor’s “adaptive” cycle usually consists of responding inappropriately to environmental change and uncertainty, performing poorly as a result, and then being reluctant to act aggressively in the future (Miles et al., 1978).

The study of differentiated strategic orientations and their associated behaviors is crucial for understanding the international performance of MNCs. This area of research holds significant importance for entrepreneurs, managers, and policymakers, yet it has been somewhat overlooked in the literature on international business (Hagen et al., 2012). Furthermore, there is a noted gap in how the marketing capabilities of companies influence their decisions regarding entry modes into foreign markets and the selection of destination countries (Costa et al., 2020).

## 2. MARKETING CAPABILITIES AND GLOBAL MARKETS

Marketing capabilities began in Barney’s Resource-Based Theory (RBT) (Barney, 1991), which suggests that the correct articulation of marketing capabilities is associated with superior company performance (Kaleka & Morgan, 2017; Martin & Javalgi, 2016; Vorhies & Morgan, 2003). Marketing capabilities originate from the marketing resources available

in the organization, organized to generate value offers to the market (Morgan et al., 2012).

Over the years, the study of marketing capabilities has gained space in the international research scenario (Chang et al., 2024). The main discussions began with the publication of Day (1994) and, since then, marketing capabilities have become an important area of marketing research (Morgan, 2019). For Day (1994), marketing capabilities correspond to the skills and competencies that a company has and that enable the understanding of changes that occur in its markets, allowing it to operate more efficiently. In the last 25 years, marketing capabilities have appeared as a central construct in theoretical explanations which link companies’ marketing activities to their long-term performance, given that most researchers who study marketing capabilities have linked resources to corporate performance (Ali et al., 2020; Chang et al., 2024; Gotteland et al., 2020; Han et al., 2022; Morgan, 2019).

Marketing resources and capabilities contribute to creating a competitive advantage, as they enable the differentiation of products and services from competitors and contribute to brand building (Martin & Javalgi, 2016). From a managerial perspective, managers seek to know what types of marketing resources are appropriate for their companies and how to build, maintain, and leverage them, given that the answers to these questions vary according to the degree to which these companies operate in the international market, and the way they are positioned (Morgan et al., 2018). Thus, companies that have lower levels of marketing capabilities tend to choose less developed countries than their country of origin, unlike companies that have higher levels of marketing capa-

bilities, which tend to choose countries with a higher level of development than their country of origin (Costa et al., 2020).

Empirically, marketing capabilities can be difficult to map, given the dynamic construction and reconstruction of responses to the strategic challenges imposed by market turmoil. Considering that marketing capabilities are understood as processes by which the marketing resources available in the organization are organized to generate offers of value to the market (Morgan et al., 2012), Table 2 presents the elements that serve as guides for the understanding of marketing capabilities. Marketing is based on what has been proposed by Morgan et al. (2009).

In the historical context, the Brazilian MNCs began their activities as regional companies, expanding mainly to countries geographically and culturally close to Brazil, the first being neighboring countries in South America in the mid-1990s. Therefore, there is the restructuring of the economy, the privatization of state-owned companies, the arrival of new international players, and international trade agreements such as Mercosur (Fleury & Fleury, 2016).

The performance of companies in the international market can be observed in different areas, such as the degree of international diversification or multinationalism, the managerial attitude and the learning process, the size of the firm, and the regularity of exports, among others (Floriani, 2010). A study carried

out by Fundação Dom Cabral (2018) shows that the performance of companies that expand into the international market is defined by the degree of internationalization, a consequence of the power acquired in the global market. The degree of internationalization, according to Floriani (2010, p. 139), is a “multidimensional indicator, identified by the growing process of involvement in international operations, which requires adaptation of the organization’s strategy, resources, and structure”.

Finally, export marketing strategy is conceptualized as the strategic response to the interplay between internal and external forces encountered by a firm in international markets. When marketers meticulously analyze and tailor their strategies to align with the nuances of foreign markets, the likelihood of achieving high performance is significantly enhanced. This underscores that a robust export marketing strategy is crucial for successfully navigating competitive markets, which in turn drives high organizational performance. In today’s ever-evolving market landscape, the capability to innovate and effectively market new ideas concerning marketing programs and products is essential for an organization’s success. Furthermore, in a world characterized by globalization, intensifying competition, and rapid technological advancements, the ability of organizations to remain competitive increasingly relies on their capacity to bring innovative products to market (Ali et al., 2020).

**Table 2.** Marketing Capabilities.

<b>Price</b>	Price is the element of the marketing mix that produces revenue, the others produce costs. In addition to being one of the most flexible elements, that is, it can be changed quickly, contrary to product characteristics and commitments to distribution channels.
<b>Product</b>	A product idea represents a possible product that the company can offer to the market. A product concept is an elaborated version of the idea, expressed in terms that make sense to the consumer. Several products can be differentiated in terms of: size, format or physical structure.
<b>Distribution</b>	Distribution channels are not static, new wholesale and retail institutions and new channel systems are emerging all the time. Manufacturers must be aware of the way in which the product is taken to other countries and pay attention to the problem of distributing the product to the end user.
<b>Marketing communication</b>	Marketing communication is a way of looking at the entire marketing process from the point of view of the recipient of the communication. The marketing orientation holds that the key to achieving organizational goals is for the company to be more effective than competitors in creating, delivering, and communicating customer value.
<b>Sales</b>	The sales force plays a role in opening and maintaining markets. Marketers decide on the features, quality level, distribution range, and promotion spend that will help their brand reach its target market position.

Source: based on Kotler (2000) and Morgan et al. (2009).

### 3. RESEARCH METHOD

#### 3.1. Research context and inclusion criteria

Before diving into the selection criteria and focus of this study, it's crucial to define what we consider to be MNCs. We categorize MNCs, such as proposed by previous studies like Hahn et al. (2023), as those companies with predominantly Brazilian capital controls that engage in international activities. This includes companies involved in the manufacturing and assembly of products and services, as well as those established in Brazil but with a presence abroad through research and development centers, bank branches, franchises, commercial offices, and distribution centers.

Improving access to information about which companies in Brazil are truly multinational versus merely internationalized is challenging; however, the Fundação Dom Cabral (FDC) Ranking mitigates this issue by providing a list of multinational companies. Also, it is particularly difficult to measure marketing strategies in certain sectors, such as business to business (B2B) and services, which is why we have opted to focus on business-to-consumer (B2C) companies in this study.

Among the companies listed in the FDC Ranking, not all are required to publicly disclose information about their business operations like those listed on the B3 stock exchange. Therefore, we have set specific inclusion criteria for this study:

- multinational companies featured in the FDC Ranking;
- companies that are listed on the B3;
- companies that primarily operate in the B2C sector;
- companies that are not service providers.

It is noteworthy that focusing on B2C companies allows for a clearer analysis of marketing strategies, as these companies typically engage more directly with end consumers. This decision helps in examining the impact of marketing capabilities like advertising, product branding, and customer engagement strategies, which are more pronounced and easier to assess in B2C companies than in B2B or service-based firms.

We also used a time criterion. For our analysis, we utilized the 2018 FDC Ranking of Brazilian Multinationals—the last official ranking published before the COVID-19 pandemic. This time frame was select-

ed because the pandemic significantly impacted various industries, potentially introducing biases in performance and marketing activities that could distort analyses of more stable periods. This report identified 69 Brazilian MNCs. From these, after applying all inclusion criteria, we selected for this study four companies (Alpargatas S.A., Arezzo&Co, Cia. Hering, and Natura &Co Holding S.A.) that are actively engaged in the B2C market and have direct marketing strategies aimed at end consumers.

#### 3.2. Data collection

Primary data were collected through documentary research, focusing on the analysis of a variety of public documents and reports from the selected companies. This included a detailed review of materials such as company websites (both primary and secondary pages), publicly available news articles, sustainability reports, social balance sheets, letters to shareholders, and extensive details from the companies' product portfolios. All sources are presented in Table 3. The documents analyzed were from the year 2017 to 2020 to maintain consistency in the data timeframe.

To systematically organize and analyze the data gathered, an Excel spreadsheet was created. This spreadsheet facilitated the tabulation of data, allowing for a structured approach to handle the comprehensive information extracted from the different documents. Additionally, individual reports for each analyzed company were compiled, summarizing key findings and insights derived from the data. This methodical compilation not only streamlined the analysis process but also ensured that all relevant data was captured and readily accessible for further examination and reporting.

#### 3.3. Measures

To analyze marketing capabilities, the model of Morgan et al. (2009) was followed, and, to identify the strategic types, the typology of Miles et al. (1978) was followed. At this stage, the keywords that would best characterize each of the authors' definitions were searched in the documents:

1. Marketing capabilities:
  - a. Price: cost, payment, discounts, offer;
  - b. Product: brand, design, strategy, product lines;

- c. Distribution: distribution channels (direct channel: the company is responsible; indirect channel: delivery made by intermediaries; and hybrid channel);
- d. Marketing communication: advertising, sales promotion, direct marketing, and publicity;
- e. Sale: sales channels, direct sales, online sales.
2. Strategic orientation:
- a. Prospector: innovation, adaptation, history, leadership, expansion;
- b. Analyst: balance, position maintenance, incremental movements, product differentiation, operational efficiency;
- c. Defender: secure position, quality, and efficiency of existing products.

**Table 3.** Summary of sources.

Arezzo&Co	<ol style="list-style-type: none"> <li>1. Relação com Investidores Arezzo&amp;Co. (2019). <b>Relatório Anual Arezzo&amp;Co.</b> (2019). Disponível em: &lt; <a href="https://api.mziq.com/mzfilemanager/v2/d/3bfae074-fd9b-4484-b9aa-24496571c987/6f338a6c-4610-5448-7df4-f11547b0d0f8?origin=2">https://api.mziq.com/mzfilemanager/v2/d/3bfae074-fd9b-4484-b9aa-24496571c987/6f338a6c-4610-5448-7df4-f11547b0d0f8?origin=2</a> &gt; Accessed on: 05 de maio de 2021.</li> <li>2. ____ <b>Relatório Anual Arezzo&amp;Co (2020)</b>. Disponível em: &lt;<a href="https://api.mziq.com/mzfilemanager/v2/d/3bfae074-fd9b-4484-b9aa-24496571c987/45ce335f-89c3-b197-34e6-071851246cd2?origin=1">https://api.mziq.com/mzfilemanager/v2/d/3bfae074-fd9b-4484-b9aa-24496571c987/45ce335f-89c3-b197-34e6-071851246cd2?origin=1</a>&gt; Accessed on: 30 de jun de 2021.</li> <li>3. <a href="http://ri.arezozoco.com.br/">http://ri.arezozoco.com.br/</a></li> <li>4. <a href="http://ri.arezozoco.com.br/informacoes-financeiras/planilha-dinamica/">http://ri.arezozoco.com.br/informacoes-financeiras/planilha-dinamica/</a></li> <li>5. <a href="http://ri.arezozoco.com.br/governanca-corporativa/codigo-de-etica/">http://ri.arezozoco.com.br/governanca-corporativa/codigo-de-etica/</a></li> <li>6. <a href="https://franquiasarezzoco.com.br/home/nossasmarcas">https://franquiasarezzoco.com.br/home/nossasmarcas</a></li> <li>7. <a href="https://ri.arezozoco.com.br/a-companhia/nossas-marcas/arezzo/">https://ri.arezozoco.com.br/a-companhia/nossas-marcas/arezzo/</a></li> <li>8. <a href="https://ri.arezozoco.com.br/a-companhia/nossas-marcas/schutz/">https://ri.arezozoco.com.br/a-companhia/nossas-marcas/schutz/</a></li> <li>9. <a href="https://ri.arezozoco.com.br/a-companhia/nossas-marcas/anacapri/">https://ri.arezozoco.com.br/a-companhia/nossas-marcas/anacapri/</a></li> <li>10. <a href="https://ri.arezozoco.com.br/a-companhia/nossas-marcas/alexandre-birman/">https://ri.arezozoco.com.br/a-companhia/nossas-marcas/alexandre-birman/</a></li> <li>11. <a href="https://ri.arezozoco.com.br/a-companhia/nossas-marcas/fever/">https://ri.arezozoco.com.br/a-companhia/nossas-marcas/fever/</a></li> <li>12. <a href="https://ri.arezozoco.com.br/a-companhia/nossas-marcas/alme/">https://ri.arezozoco.com.br/a-companhia/nossas-marcas/alme/</a></li> <li>13. <a href="https://ri.arezozoco.com.br/a-companhia/nossas-marcas/vans/">https://ri.arezozoco.com.br/a-companhia/nossas-marcas/vans/</a></li> <li>14. <a href="https://www.arezzo.com.br/c/sapatos/sandalias">https://www.arezzo.com.br/c/sapatos/sandalias</a></li> <li>15. <a href="https://www.arezzo.com.br/c/bolsas">https://www.arezzo.com.br/c/bolsas</a></li> <li>16. <a href="https://www.arezzo.com.br/c/sapatos">https://www.arezzo.com.br/c/sapatos</a></li> </ol>
Cia Hering	<ol style="list-style-type: none"> <li>1. _____. <b>Relatório Anual Cia Hering (2019)</b>. Disponível em: &lt;<a href="https://api.mziq.com/mzfilemanager/v2/d/5532dc5b-7c76-4c5e-bb49-01cf77b7dac1/4f073d49-2e29-01c0-3fc1-8f4a08baca71?origin=1">https://api.mziq.com/mzfilemanager/v2/d/5532dc5b-7c76-4c5e-bb49-01cf77b7dac1/4f073d49-2e29-01c0-3fc1-8f4a08baca71?origin=1</a>&gt; Accessed on: 05 de jun de 2021.</li> <li>2. _____. <b>Relatório Anual Cia Hering. (2020)</b>. Disponível em: &lt;<a href="https://api.mziq.com/mzfilemanager/v2/d/5532dc5b-7c76-4c5e-bb49-01cf77b7dac1/b85195d4-c1b2-bcd9-0cf1-3079cc965be3?origin=1">https://api.mziq.com/mzfilemanager/v2/d/5532dc5b-7c76-4c5e-bb49-01cf77b7dac1/b85195d4-c1b2-bcd9-0cf1-3079cc965be3?origin=1</a>&gt; Accessed on: 25 de jul de 2021.</li> <li>3. <a href="https://www.usereserva.com/a-reserva">https://www.usereserva.com/a-reserva</a></li> <li>4. <a href="https://ri.ciahering.com.br/">https://ri.ciahering.com.br/</a></li> <li>5. <a href="https://ri.ciahering.com.br/cia-hering/modelo-de-negocios/">https://ri.ciahering.com.br/cia-hering/modelo-de-negocios/</a></li> <li>6. <a href="https://ri.ciahering.com.br/governanca-corporativa/composicao-acionaria/">https://ri.ciahering.com.br/governanca-corporativa/composicao-acionaria/</a></li> <li>7. <a href="https://ciahering.com.br/institucional/">https://ciahering.com.br/institucional/</a></li> <li>8. <a href="https://www.hering.com.br/store/">https://www.hering.com.br/store/</a></li> <li>9. <a href="https://www.heringkids.com.br/store/pt/">https://www.heringkids.com.br/store/pt/</a></li> <li>10. <a href="https://www.dzarm.com.br/">https://www.dzarm.com.br/</a></li> <li>11. <a href="https://relatoriosustentabilidade.ciahering.com.br/">https://relatoriosustentabilidade.ciahering.com.br/</a></li> </ol>

Continue...

**Table 3.** Continuation.

<p>Natura&amp;Co</p>	<ol style="list-style-type: none"> <li>1. Relatório Anual Natura&amp;Co. (2019). <b>Nada no universo existe por si só, tudo é interdependente.</b> Disponível em: &lt;<a href="https://static.rede.natura.net/html/home/2020/br_09/relatorio-anual-2019/relatorio_anual_natura_2019.pdf">https://static.rede.natura.net/html/home/2020/br_09/relatorio-anual-2019/relatorio_anual_natura_2019.pdf</a>&gt; Accessed on: 20 de maio de 2021.</li> <li>2. _____. <b>O que a gente pode fazer pelo mundo.</b> (2020). Disponível em: &lt;<a href="https://static.rede.natura.net/html/sitecf/br/06_2021/relatorio_anual/Relatorio_Anual_Natura_GRI_2020_.pdf">https://static.rede.natura.net/html/sitecf/br/06_2021/relatorio_anual/Relatorio_Anual_Natura_GRI_2020_.pdf</a>&gt; Accessed on: 04 de ago de 2021.</li> <li>3. <a href="https://www.natura.com.br/a-natura/nossa-historia">https://www.natura.com.br/a-natura/nossa-historia</a></li> <li>4. <a href="https://www.natura.com.br/a-natura">https://www.natura.com.br/a-natura</a></li> <li>5. <a href="https://www.natura.com.br/nossas-marcas">https://www.natura.com.br/nossas-marcas</a></li> <li>6. <a href="https://www.natura.com.br/sustentabilidade/cadeia-de-valor">https://www.natura.com.br/sustentabilidade/cadeia-de-valor</a></li> <li>7. <a href="https://www.natura.com.br/inovacao">https://www.natura.com.br/inovacao</a></li> <li>8. <a href="https://naturaeco.com/pt/">https://naturaeco.com/pt/</a></li> <li>9. <a href="https://www.thebodyshop.com.br/nossas-linhas">https://www.thebodyshop.com.br/nossas-linhas</a></li> <li>10. <a href="https://www.thebodyshop.com.br/marca-vegetariana">https://www.thebodyshop.com.br/marca-vegetariana</a></li> <li>11. <a href="https://www.aesop.com/us/r/about/">https://www.aesop.com/us/r/about/</a></li> <li>12. <a href="https://naturaeco.com/pt/group/">https://naturaeco.com/pt/group/</a></li> <li>13. <a href="https://about.avon.com/us-about/company/about">https://about.avon.com/us-about/company/about</a></li> <li>14. <a href="https://about.avon.com/us-about/company/history">https://about.avon.com/us-about/company/history</a></li> </ol>
<p>Alpargatas</p>	<ol style="list-style-type: none"> <li>1. <a href="https://www.istoedinheiro.com.br/todas-as-faces-da-alpargatas/">https://www.istoedinheiro.com.br/todas-as-faces-da-alpargatas/</a></li> <li>2. <a href="https://havaianas.com.br/">https://havaianas.com.br/</a></li> <li>3. <a href="https://ri.alpargatas.com.br/">https://ri.alpargatas.com.br/</a></li> <li>4. <a href="http://www.alpargatas.grupociadetalentos.com.br/">http://www.alpargatas.grupociadetalentos.com.br/</a></li> <li>5. <a href="https://www.osklen.com.br/">https://www.osklen.com.br/</a></li> <li>6. <a href="https://www.alpargatas.com.br/">https://www.alpargatas.com.br/</a></li> </ol>
<p>General sources</p>	<ol style="list-style-type: none"> <li>1. <a href="http://www.b3.com.br/">http://www.b3.com.br/</a></li> <li>2. <a href="http://www.b3.com.br/produtos-e-servicos/negociacao/renda-variavel/empresas-listadas">http://www.b3.com.br/produtos-e-servicos/negociacao/renda-variavel/empresas-listadas</a></li> </ol>

Source: the authors.

Among the original strategic types, the type ‘Reactor’ is a strategic orientation with no clear strategy and is used to react to specific conditions — which we were not able to control in this study.

### 3.4. Data analysis

The data analysis was conducted first by descriptive research, presenting the Brazilian MNCs and their activities, following Bardin’s (2004) content analysis guidelines. The strategic choice definition and the marketing capabilities analysis were done using the categories based on the literature, and a systematic comparison was done.

## 4. RESULTS

### 4.1. Internationalization strategies and growth of

#### **brazilian brands in the global market: analysis of Alpargatas, Arezzo&Co, Cia Hering, and Natura**

##### *4.1.1. Alpargatas S.A.*

Alpargatas, headquartered in São Paulo, Brazil, has been operational in the apparel, footwear, and accessories sector since 1907. The company initiated its internationalization process in 2007 in the United States, and, since then, has engaged in the global market through both wholly-owned subsidiaries and franchising. In 2017, the company targeted expansion into two new countries: Colombia and Hong Kong, China. Owing to the Brazilian political and economic landscape, Alpargatas has redirected its focus towards international growth.

The journey of Alpargatas, detailed on the company’s website (Alpargatas, 2021), offers a historical



overview of this centennial company, highlighting the significance of its flagship brand, Havaianas, a symbol of Brazilian culture. This achievement stems from the company's strategy of addressing consumer needs with simplicity and dynamism, combining comfort and an uncomplicated style in its products. Alpargatas creates value by focusing on growth through global, digital, innovative, and sustainable pillars, aiming to achieve financial outcomes and showcase a culture rooted in core values: inspired by people, make it happen, facing the impossible, owner's heart, grow together, and care for tomorrow. This organizational culture is evident in the company's growth trajectory and expansion strategies, which have been effective in maintaining market presence and exploring new international markets, demonstrated by new store openings even during the recent COVID-19 pandemic.

The company's positioning, articulated through its vision statement ('To be a global, digital, innovative, and sustainable company with desirable, hyper-connected brands') (Alpargatas, 2021), reveals a strategic blend of domestic stability and the complexities of international markets. Alpargatas emphasizes a consumer-centric approach, anticipating purchasing desires and setting market trends, thus maintaining a leading position in its segment and supporting its internationalization strategies. However, it should be noted that the company favors incremental actions, focusing on the ascension and valorization of its existing brands rather than seeking market leadership across various brands.

According to IstoÉ Dinheiro (2020), in the second quarter of 2020, despite the closure of shopping centers and non-essential commerce, Alpargatas' consolidated net profit increased by 53.1%, from R\$29.1 million in Q2 2019 to R\$44.5 million from April to June 2020. Driven by these strong results, the company decided to hire 500 workers for its factory in Campina Grande (PB), contrary to the layoffs that have plagued the country's economy since the onset of the pandemic. The CEO of the company attributes this performance to two main factors: international sales and the strengthening of digital channels. Sales on the havaianas.com website increased sevenfold, accounting for 23% of the brand's total results. Additionally, Mizuno, specializing in sports goods, saw an 80% increase in marketplace sales during the same period and reached the second highest position in Netshoes' sales ranking (IstoÉ Dinheiro, 2020).

Alpargatas achieved record results in Q4 2020, with approximately 11% growth in net revenue, reaching R\$1.1 billion, with a recurring EBITDA margin of 26% and a net financial position of R\$461 million (Release Alpargatas 4T20, 2020). According to the company, Havaianas sold a record 79 million pairs, an increase of 5% compared to Q4 2019, consolidating the brand's leading position in the Brazilian and global footwear and lifestyle markets.

The strategic pillars upheld by Alpargatas prioritize markets with high purchasing potential and opportunities for expanding international operations, as outlined in the Release Alpargatas 4T20 (2020). These include global expansion, particularly in Europe, China, the USA, and Brazil; accelerating digital growth through direct-to-consumer (DTC) and business-to-business (B2B) sales; entering new segments with innovative product launches; and developing sustainable solutions. These strategies underscore the company's commitment to entering lucrative markets safely, supported by years of research and development tailored to meet the demands of various consumer markets, positioning Havaianas as a leading global brand in its segment. Additionally, considering its other brands, Alpargatas is expanding its online sales channels, a space that has become even more critical in the current pandemic-induced environment, fostering online shopping and the introduction of new products into other segments, thus broadening its product range. Consequently, contrary to many firms, Alpargatas has experienced market growth, surpassing expectations and driving the company's business forward despite the inevitable adverse effects.

#### **4.1.2. Arezzo&Co.**

Founded in 1972 by entrepreneurial brothers Anderson and Jefferson Birman, Arezzo&Co is today the largest fashion footwear retailer for women in Latin America, renowned for its concept, high quality, and contemporary design. The brand's consolidation in the national market is also evidenced by its history of awards: named seven times as the Best Franchise in Brazil in the Apparel, Footwear, and Accessories segment (Revista Pequenas Empresas & Grandes Negócios); recipient of the Alshop Visa Award, including the HorsConcours Award as voted by consumers;

eight years of Franchise Excellence (Brazilian Franchising Association), Top of Mind (La Clé); and ranked among Brazil's Most Valuable Brands (Istoé Dinheiro) (Arezzo&Co, 2021).

Arezzo&Co, with its headquarters located in Campo Bom, Rio Grande do Sul, operates in the Apparel, Footwear, and Accessories sector. The company embarked on its internationalization journey in 2005 through franchising in Paraguay, followed by expansions to Portugal and Bolivia. From Brazil, the company exports to the Chilean, Argentine, and Italian markets. Between 2017 and 2018, the firm also expanded its operations in the USA through both mono-brand and department stores (Fundação Dom Cabral, 2018).

Arezzo&Co's portfolio includes proprietary brands such as Arezzo, Schutz, Birman by Alexandre, Anacapi, Fiever, and Alme, exclusive licensing of Vans Off The Wall in Brazil, the recently acquired brand Reserva, and two online thrift stores: Troc and ZZ'mall. In terms of research and development, Arezzo&Co delivers 7 to 12 collections each year, derived from approximately 11,500 models created. About 65% of these models are presented to the commercial team in conjunction with operators to finalize the production of models to be sold in stores, representing 50% of the total models developed (Arezzo&Co, 2021). Additionally, R&D is coordinated through a sourcing and logistics model, starting with consumer behavior identification and fashion trend monitoring in major global consumption centers, facilitating the creation of numerous products in each collection (Arezzo&Co, 2021).

Communication and marketing are crucial elements for Arezzo&Co, achieved through significant time and financial investments in the brands, continuously creating communication campaigns. The company emphasizes its effective marketing strategy, which includes a constant brand presence in specialized media, associating the brands with prominent artists and opinion leaders, and creating flagship stores—concept stores strategically located in major Brazilian capitals. According to Arezzo&Co (2021), the aim is not merely to sell products but to provide a unique shopping experience, from the catalog presentation of a new collection to the in-store environment, the sales staff uniforms, and the packaging, all of which are tailored to each collection.

The sourcing and logistics chain includes in-house production at the industrial park in Campo Bom, Rio Grande do Sul, using the *façon* system, which involves contracting independent specialized factories and workshops. The company supplies some of the raw materials needed for production, resulting in gains in input purchasing, and ensuring quality and uniformity of materials used (Arezzo&Co, 2021). Products are simultaneously distributed to all stores in the country, and, in 2016, the company opened a new distribution center in Cariacica (ES), enhancing replenishment capacity, proximity to key consumer markets, and reducing waiting times for stock replenishment.

The diverse distribution model employs a multipronged approach that enhances value capture along the supply chain and broadens the distribution and visibility of the brands. The owned stores are strategically located to optimally meet product demand and enhance retail knowledge. Through these stores, the company increases its capacity to interact with end customers and develop more retail processes and point-of-sale management (Arezzo&Co, 2021). While the franchising model allows for rapid expansion and adaptation to local needs, the multi-brand channel complements others, allowing greater penetration into smaller cities and for new brands that the company may launch. Sales to multi-brand stores reach all states of Brazil and about 50 countries abroad. The e-commerce channel reinforces the company's OMNI strategy, ensuring a consistent presence at all relevant customer touchpoints, and promoting a unique experience.

Arezzo&Co highlights its operation in the United States through wholesale, e-commerce, and retail channels with flagship stores in New York and Los Angeles. Management is supported by a team of professionals who, through a meritocratic culture, seek individuals with complementary expertise and foster a participative profile, encouraging discussions and dissemination of information. The human resources management area, through a wide range of selection, training, and retention actions, seeks to develop and align personnel with the organizational culture and strategy of Arezzo&Co.

Observing the company's positioning expressed in its guidelines (primarily its vision: 'To be the leader in Brazil in fashion footwear and handbags with an international presence, satisfying our consumers with

the most desired brands, generating enduring value for our audiences'), it is evident that the company aims for national leadership and to expand its international presence, indicating a prospector behavior. This positioning is characterized by stability in the Brazilian market and adaptability in the more volatile international markets where it is not yet a leader.

The company's intent to expand its brand presence through the optimization of existing processes and the pursuit of new integrated operation modes with its supplier network, with speed and production efficiency, is clear. Moreover, it emphasizes a thorough study of the main interests of the target audience and its focus on national market leadership in the segment, further evidencing its prospector behavior.

In terms of market reach, in 2021, Arezzo&Co operated 139 own stores; produced 15 to 18 collections per brand per year; had 762 franchised stores (in Brazil and abroad); was present in 5,736 multi-brand stores; generated R\$2.02 billion in gross revenue, R\$226.9 million in EBITDA, and R\$87.3 million in net profit. These figures illustrate the scope and potential for ascent of the Arezzo&Co group in both the Brazilian and international arenas.

Arezzo&Co's intention to become a brand manager is worth noting. It aims to expand its operations by acquiring licensing and distribution of products from already successful market brands or those with growth potential and a technological operation bias, according to predefined standards to fit within the company's parameters.

With this diversification, the company expects to serve an even larger market segment, as each of the eight brands in the portfolio represents a purpose and a meaning expressed by the brand's culture to its current and potential customers, thereby generating trust and loyalty to these brands.

#### 4.1.3. *Cia Hering*

Founded in 1880, Cia Hering is headquartered in Blumenau, Santa Catarina, Brazil. The company commenced its international operations in 1997 with its first subsidiary in Paraguay and currently operates through franchises in Uruguay, Paraguay, and Bolivia. In 2018, Cia Hering also entered the Argentine market, seeing a significant opportunity to develop expertise for its international growth (Fundação Dom Cabral,

2018). Cia Hering operates with three brands: Hering, Hering Kids, and DZARM. The company's guidelines are anchored in the following values: entrepreneurial spirit; creating value; making it happen; passion for the cause; and building together.

Cia Hering articulates its value proposition by focusing on casual fashion, offering products and services that stand out for their quality and comfort, ensuring value accessibility and ease of purchase. The production is based on a hybrid production model, characterized by a combination of in-house manufacturing, outsourcing, and external outsourcing, ensuring flexibility and speed to meet market demand (Cia Hering, 2019).

The positioning of Cia Hering places the consumer at the center of its decisions, demonstrating its interest in knowing, understanding, and engaging with this consumer, and offering innovative solutions combined with technology in products and at the point of sale. Furthermore, it clearly emphasizes the company's primary goal of providing the best shopping experience across all its channels: owned stores, franchises, multi-brand retail, and e-commerce.

In terms of market performance, as per the data available on Cia Hering (2021), the company reported a gross revenue of 1.8 billion BRL, serves over 3,000 cities in Brazil, employs 4,635 staff, and generates 6,845 jobs through its 682 franchises, plus an additional 8,184 jobs through its manufacturing operations. The company also owns 80 stores and is present in 7,907 multi-brand stores. This extensive reach underlines Cia Hering's significant presence and potential for growth both within Brazil and in the international markets.

#### 4.1.4. *Natura &Co Holding SA (Natura)*

Founded in 1886, Natura is headquartered in São Paulo, Brazil, and operates in the cosmetics sector. The company launched its first international subsidiary in Chile in 1983 and is now present in seven countries. Natura Group's operations extend to 72 countries, with a diverse product range. The Group's Operations Committee is tasked with monitoring global strategies and fostering synergies across its companies (Fundação Dom Cabral, 2018). Natura is recognized as the largest Brazilian multinational in the cosmetics sector (Natura, 2019).

In 2019, Natura adopted a new positioning, initiating a digital transformation and engagement era, poised to offer innovative services and products. This year also marked the beginning of a new international expansion cycle, with its first multichannel operation in Malaysia (Natura, 2019). Natura&Co encompasses brands such as Aesop, The Body Shop, and, since January 2020, Avon. This amalgamation has formed the fourth largest beauty-focused group globally, committed to generating positive economic, social, and environmental impacts. With this new group structure, four business units were established, including Natura &Co Latin America (Natura, 2019).

The company strategically aligns its operations with market demand, integrating operations with other prominent brands in the same sector to expand its market reach. This approach highlights its commitment to sustainable development throughout its production chain and to establishing connections that support an internationalization strategy based on presence in both new and established markets, making Natura&Co one of the world's largest cosmetics companies. According to the Natura (2020, pp. 15-16) and the Natura (2021), the company employs 6,920 people worldwide, with 2 million consultants. It operates 589 own and franchised physical stores, 1.3 million digital spaces, and e-commerce platforms, offers 760 daily care products, invests 3% of its revenue in innovation, and employs 300 staff in R&D and marketing, leading to the launch of an average of 220 new products annually.

The company's market orientation is encapsulated in its vision: "Natura, through its business conduct, the quality of its relationships, and its products and services, will be a globally recognized brand, identified with the community of individuals committed to building a better world through the best relationship with themselves, others, the nature of which they are a part, and the whole" (Natura, 2020).

Natura is focused on expanding its international presence, aiming to maintain and reach higher levels as a globally recognized brand. Its emphasis on maintaining relationships within its environment and the textual evidence presented indicate a behavior focused on maintaining its position while seeking new opportunities. Natura demonstrates an attentive ap-

proach to growth based on sustainable development, as it addresses social and environmental issues within its operations, portraying itself as a brand aware of its social and environmental responsibilities. Much of the raw material used for production comes from natural resources, reflecting the company's significant and impactful stance, striving to exceed standard regulatory measures.

#### **4.2. Analysis of marketing capabilities and strategic orientation**

The marketing capabilities conceptualized in the theoretical framework reveal their importance from the practical experience observed in the multinationals that composed the study. They are responsible for most of the strategies created that guide actions on different fronts of the business, that is, the adequacy and execution of capabilities are vital to the success of any multinational. In summary, marketing capabilities are manifested in processes that the company uses to define, develop, communicate, and add value to customers, also linking the combination, transformation, and /or implementation of its available resources (Morgan et al., 2012, 2018). Table 4 summarizes the marketing capabilities of the EMMs we analyzed in this paper.

Equally important is the perception of the predominant strategic orientation in companies, that is, how the company positions itself concerning the market. Table 5 summarizes the predominant strategic types found in the analyzed Brazilian MNCs.

Inherently to any company, the responsible strategic type translates into the way it operates in the markets in which it operates and how it intends to operate in new markets. In this sense, its intention to maintain balance in terms of creating or maintaining the product-market domain demonstrates, for example, its analyst perspective and, with that, a less offensive posture in intentionally becoming a pioneer/leader. That is to say, it intends to reach the first positions with incremental movements, an example seen in two of the MNCs: Alpargatas and Cia Hering.

This is unlike the posture perceived in other multinationals that intentionally position themselves with strategic actions and pioneering in product-market, with the premise of becoming a leader, serving as an

**Table 4.** Summary of marketing capabilities.

	<b>Alpargatas</b>	<b>Arezzo</b>	<b>Hering</b>	<b>Natura</b>
<b>Price</b>	Prices range from low to medium. The predominance is for sandals with a more accessible price to the consumer.	Practices prices aimed at a more segmented public, due to the differentiated materials and exquisite design, prices range from medium to high.	The prices practiced by Hering are aimed at a wide audience, with a basic design, the prices practiced range from low to medium.	Recognized for the quality of its formulas, innovation and prices that are largely accessible to the public in the low to medium range.
<b>Product</b>	Footwear, sporting goods, and casual apparel	Designer shoes, accessories, and clothing	Clothing, footwear idealized under the casual/basic style	Cosmetics and personal care products (perfumes, moisturizing creams, lotions, soaps, shampoos)
<b>Distribution</b>	Hybrid distribution	Hybrid distribution	Hybrid distribution	Hybrid distribution
<b>Communication</b>	Social media, traditional media, partnerships and collaborations with artists, personalities (celebrity endorsement)	Social media, traditional media, partnerships and collaborations with artists, personalities (celebrity endorsement)	Social media, traditional media, partnerships and collaborations with artists, personalities	Social media traditional media, online and print magazines (direct selling), partnerships and collaborations, personalities
<b>Sales</b>	Integrated channels, physical stores, and e-commerce (omnichannel strategies)	Integrated channels, physical stores, and e-commerce (omnichannel strategy)	Integrated channels, physical stores, and e-commerce (omnichannel strategies)	Integrated channels, physical stores, and e-commerce (omnichannel strategies)

Source: the authors.

example, and expanding their operations more and more, as is the case of Arezzo&Co and Natura&Co.

Regarding the degree of internationalization, this is expressed through the organization of expansion strategies, with investments that provide expansion of the company's portfolio of products/brands and insertion in new markets, offering innovative and sustainable products; through the study of the market, to understand the competition according to the benchmarking practiced and integration of channels, pointing to great growth in online sales in all the companies studied. This is especially true in the pandemic period, evidencing the strength of their omnichannel strategies, widely used and having potential for expansion.

Therefore, based on the results presented, it appears that there is an intersection between marketing capabilities and strategic behavior, which seems to be translated into the degree of international-

ization to a greater or lesser extent. Possibly all the companies analyzed have shown great internationalization power in recent years, given the trajectory of internationalization that has started relatively recently and the current promising directions these companies are taking.

These events may have been leveraged by internationalization strategies based in part on marketing capabilities, that is, on marketing resources leveraged and materialized by capabilities and on how companies strategically position themselves concerning target markets; that is, the behavior that adopts a more cautiously approach, with incremental movements (analyst) or more audacious, with an emphasis on leadership and product/market dominance (prospector) perceived in the aspects listed and widely discussed in previous chapters. Because of this, an integrated analysis of the three constructs of the study is carried out in Table 6.

**Table 5.** Summary of strategic types.

<b>Analyst Companies</b>	
<b>Alpargatas</b>	The evidence from the research shows the predominance of <b>analyst behavior</b> , as one of the company's main strategies is the <b>reduction of the brand portfolio</b> with a <b>focus</b> on a <b>certain market niche</b> (shoes), that is, there is <b>little diversification</b> , although the wide variety of models within this <b>same category</b> must be taken into account. This suggests the intention to operate with <b>greater security and expertise</b> , to <b>maintain leadership in active markets</b> , and cautiously conquer new markets.
<b>Hering</b>	In the same way as Alpargatas, Cia Hering opts to maintain the operation of a <b>reduced number of brands</b> , evidencing an attitude of <b>analyst behavior</b> . It innovates by improving existing products, launching new products, reducing its brands, and <b>focusing on a certain niche market</b> (clothing), that is, there is <b>little concern with product diversification</b> . In addition, it aims to maintain leadership in active markets and conquer new markets, with <b>incremental movements</b> .
<b>Prospecting Companies</b>	
<b>Arezzo</b>	Arezzo&Co presupposes the predominance of the <b>strategic prospector type</b> , as it is a company that <b>constantly expands its product-brand portfolio</b> and aims to become a <b>manager of its own and insurgent brands</b> . In addition, it is constantly concerned with <b>maintaining leadership</b> in its operating markets, and the internationalization strategy is based on <b>innovation and technology, serving as an example for other companies</b> in the same field.
<b>Natura</b>	It can be inferred that Natura&Co also has characteristics that justify the <b>prospector impetus</b> . This is due to the strategies developed by the company in the <b>acquisition and operation of other well-known brands in the market</b> , evidencing its desire to <b>become a leader in the medium/long term in the sector of cosmetics outside Brazil as well</b> . In addition, there is an alignment of objectives with social and environmental responsibility strategies, in which it demonstrates its <b>pioneering</b> spirit and desire to set an example.

Source: the authors.

**Table 6.** Summary table of research constructs.

		<b>Alpargatas</b>	<b>Arezzo</b>	<b>Hering</b>	<b>Natura</b>
<b>Marketing Capabilities</b>	<b>Price</b>	Low-medium	Medium-high	Low-medium	Low-medium
	<b>Product</b>	Creative/casual	Bold/ contemporary	Basic/casual	Diversified/Varied
	<b>Distribution</b>	Hybrid model	Hybrid model	Hybrid model	Hybrid model
	<b>Comunication</b>	Digital/Traditional Media	Digital/Traditional Media	Digital/Traditional Media	Digital/Traditional Media
	<b>Sales</b>	Physical/online store	Physical/online store	Physical/online store	Direct sale
<b>Strategic type</b>		Analyst	Prospector	Analyst	Prospector

Source: the authors.

## 5. CONCLUSIONS AND IMPLICATIONS

From this research, it is evident that marketing capabilities serve as a pivotal mechanism in crafting strategies that enhance performance both domestically and internationally. Therefore, this study contributes to the knowledge on the theme by illustrating how marketing capabilities are not static attributes but rather dynamic elements that drive strategic actions within MNCs, especially in emerging markets.

For instance, companies like Arezzo and Natura utilize expansive brand portfolios to assert and expand their market leadership, showcasing a direct link between strategic marketing decisions and international market expansion.

Moreover, the similarities in marketing communication across the four analyzed companies, particularly their unified approach to omnichannel integration, underscore a collective strategic orientation towards comprehensive consumer engagement.

This finding highlights how EMMs harmonize their distribution and sales strategies, emphasizing direct sales and digital integration, to maintain competitiveness in global markets.

The research further demonstrates a congruence between the firms' marketing capabilities, their strategic orientation, and their degree of internationalization. The alignment of these elements suggests a robust interdependency where strategic orientation—be it prospector or analyst—guides the deployment of marketing capabilities, which in turn influences the internationalization trajectory of these firms.

These results enrich the international business literature by: providing empirical insights into how specific marketing capabilities like pricing policies, brand management, and omnichannel marketing communication are tailored by Brazilian MNCs to fit their strategic orientation and international market goals; and offering a nuanced understanding of the role of strategic orientation in shaping international expansion strategies, where prospectors like Arezzo and Natura are shown to aggressively pursue new market opportunities and brand expansions, contrasting with analysts like Alpargatas and Cia Hering which adopt a more incremental and focused approach.

Therefore, in theoretical terms, our study extends Morgan et al.'s (2009) framework on marketing capabilities by applying it to Brazilian MNCs, demonstrating how these capabilities are operationalized to influence international market strategies and corporate performance. Also, by incorporating insights from recent studies such as those by Boldrini et al. (2024) and Gammeltoft and Panibratov (2024), our research addresses the gap in the literature concerning the internationalization processes of EMMs, with a specific focus on Brazilian firms. This contribution is vital as it brings updated perspectives to the dynamic and evolving role of marketing strategies within these multinationals.

Our study also offers several important managerial implications for leaders of multinational corporations, particularly those in emerging markets. Firstly, it highlights the critical role of marketing capabilities in driving international expansion and domestic market performance, suggesting that managers should prioritize the development and deployment of comprehensive marketing strategies tailored to various market contexts. Secondly, the study points out the importance

of aligning strategic orientation with market activities; firms need to assess whether their market strategies—whether prospecting or analyzing—are in sync with their overall strategic goals. This alignment is crucial for effectively navigating international markets and optimizing market entry strategies.

Furthermore, the emphasis on omnichannel marketing strategies from our findings suggests that managers should invest in integrating their sales and communication channels to enhance customer engagement and drive sales performance, especially in digital domains. Finally, understanding the distinct strategic behaviors, such as the aggressive expansion characteristic of prospectors versus the calculated, incremental approach of analysts, enables managers to tailor their strategic initiatives to better fit their corporate objectives and market dynamics, thereby optimizing their competitive edge and market position.

## 6. RESEARCH LIMITATIONS AND RECOMMENDATIONS FOR FUTURE RESEARCH

Our study, while providing an understanding of the marketing strategies and internationalization processes of Brazilian MNCs, faced certain limitations related to data accessibility and scope. The challenge of obtaining comprehensive and recent data on multinationals and their international market investments is significant due to the lack of publicly available official statistics in Brazil. This restriction limits the breadth and depth of potential findings, as our study relies heavily on secondary data sources, which may not cover all aspects of a company's international activities comprehensively. This limitation reflects the broader issue within international business research where data opacity can impede the understanding of complex global operations.

Additionally, the composition of our sample presents another limitation. Our focus on companies with predominantly Brazilian capital control, and with international operations primarily done through sales offices or similar establishments, may not provide a complete picture of all types of international business strategies or outcomes. This sample restriction narrows the generalizability of our findings, potentially omitting insights from multinational enterprises with diverse ownership structures, such as full-fledged operational subsidiaries abroad.

To mitigate these issues and enhance the depth of future research, it is advisable to incorporate primary data collection methods, such as interviews with executives and marketing managers. Exploring additional capabilities beyond marketing, perhaps including technological or operational capabilities, could also provide a more holistic view of the factors influencing multinational performance and strategies in the international arena. Also, further research can expand the sample to include EMMs from different geographic regions. Finally, with the increasing importance of digital technologies, a study focusing on how digital transformation influences marketing capabilities and international strategies could be very timely. This research could explore the role of digital marketing, e-commerce, and digital customer engagement in shaping international success.

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