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As a Mediator**

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Interactive Marketing Practices and Market Performance in Soft Drinks Industry: An Empirical Study on Competitive Advantage As a Mediator

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Abstract

Purpose: To what extent does competitive advantage mediate the relationship between interactive marketing practices and market performance? In attempt to respond to this question, this study was conducted with the aim of examining the mediating role of competitive advantage on the interactive marketing practices market performance relationship in the soft drink industry context.

Methodology: A cross-sectional research design was taken on a sample of 322 soft drink manufacturing enterprises in the city of Kigali. The unit of inquiry for the quantitative study were the sales, accounting, finance, marketing and communication managers whereas chief executive officers were the unit of inquiry for the qualitative study. The study used both questionnaire and interview guide to collect data. Path analysis, MedGraph v3.xlsm and Hierarchical regression were used to test the model.

Findings: Study findings show that performance of soft drink enterprises is positively associated with interactive marketing practices. It was observed in this study also that competitive advantage partially mediates this relationship. Practically the four conditions for mediation were met as suggested by Baron and Kenny, (1986). Firstly, we observe that there was a significant direct effect of Interactive marketing practices on market performance ($\beta = .270$; $p < .05$). Secondly, Interactive marketing practices and competitive advantage have a

significant relationship ($\beta = .400$; $p < .05$), and thirdly, the observed coefficient of the mediator (competitive advantage) is significant as seen in the regression model 3 ($\beta = .396$; $p < .05$). It is observed, finally, that the absolute effect of Interactive marketing practices on market performance is smaller in regression model 3 ($\beta = .157$; $p < .05$) than in regression model 2 ($\beta = .270$; $p < .05$). This confirms the mediation effects of competitive advantage. Further still a ratio index of 41.9% was observed an indication that competitive advantage reduces the relationship between interactive marketing practices and performance by 41.9% in Kigali city soft drink enterprises.

Recommendations: In line with this confirmed mediation effects, managers are reminded to allocate sufficient resources to customer intimacy, product leadership and operational excellence as specific competitive priorities if they are to attain better market performance results. The study is of a theoretical importance as it empirically confirms the mediating role of competitive advantage in the interactive marketing practices-market performance relationship in a soft drink industry context. The imperative for practitioners to sufficiently attend to operational efficiency, customer intimacy and product leadership is reiterated on in this study.

Keywords: *Market Performance, Competitive Advantage, Mediation, Interactive Marketing, Soft Drinks Industry*

1.0 INTRODUCTION

Whereas it is not agreeable to all researchers and practitioners on which best approach to reach out marketing information to customers, the customer journey map itself is shifting day-in-day out. That means marketers are still confronted with many how questions on this issue. To some scholars this has been a cause for failure to achieve desired market targets in terms of customer numbers and sales (Lafley & Martin, 2014). These scholars attribute this to failing firm communication policies that either underrate or fail to appreciate buyers' information needs. Indeed, it is not clear why soft drink firms in Kigali City experience decrease in customer numbers and sales. Despite the apparent favourable government legal and policy support, some soft drink firms have closed their doors in their first year of commencement (Pamela and Gloria, 2010; Bralirwa Annual Reports 2013/2016; Sophia & Söderbom, 2013). Such soft drinks market phenomena is also reported in Uganda (Lamwaka, 2018) and in other parts of the world (Taylor and Jacobson, 2016; Beverage-digest report, 2017; Financial Times, August, 2019). To the researchers this has not got any solution considering the inconclusive debate that it has sparked in the academic circles (Sophia and Söderbom, 2013; Ezeanya-Esiobu et al., 2019). This study anticipates that these firms failed in a way to establish a desired relationship stance with their customers, partly causing such undesired market outcomes.

Several studies have used interactive marketing communication perspective to predict market performance elsewhere (Dushyenthan, 2012; Aslam et al., 2015; Jensen, 2017; Wendt, 2020). Other scholars have also used different perspectives including strategic resources and capabilities (Rifat, 2017; Nakayama, 2018), managerial and social competences of firm managers (Kamukama et al., 2017; Kamukama, 2020), operational efficiency (Liu et al., 2020), internet-based seller-buyer interaction (Stone and Woodcock, 2014) and firm's ability to manage its operating environment (Appiah, 2011). A review of these studies portrays knowledge gaps justifying this study partly. Beyond this, scholars like Holliman and Rowley, (2014), Appel et al., (2019), Nyagadza, (2020) and Yogesh et al., (2020) suggest that sustainable solution to mentioned market performance challenges to implementation of social media marketing, search engine marketing and content marketing management strategies and policies. These all interactive facets constitute interactive marketing practices that this study have as independent variable. Indeed, customer relationship management approaches that are conversational in nature portray a big solution to demand and supply side relationship failures as reported by Dhillon, (2013).

Interactive marketing practices in this study refers to a combination of firm-level electronic promotion activities to reach their targeted audience (Stone & Woodcock, 2014). They explain, everything that a firm does aiming at ensuring a two-way interaction with its clientele that in the long run help evoke their purchase action. In most business to business and business to customer buying contexts, human to content, human to human and human to technology exchanges are frequently cited, the reason why this study used *content marketing, social media marketing and search engine marketing* as measures for Interactive marketing practices. These explain broadly the digital communication strategies that marketers use to bring a change in the post and pre-purchase buyer behaviour at a time (Haeckel, 1998).

A growing study interest has been sparked on the relationship between Interactive marketing practices and firm performance (Aslam et al., 2015; Dushyenthan, 2012). And several theoretical views have been used to explain this relationship. Whereas, social exchange theory by Homans, (1958), predict market performance through firm's ability to well keep in close connection with

clients, it ignores the non-human interactions, which otherwise contribute towards altering purchase impression. The hierarchy-of-effect theory by Lavidge and Steiner, (1961), also convincingly explain the buyer behaviour that change over time, as reflected in the way firms build connections with their various clients and win their hearts which help improve product awareness, customer loyalty and sales (Odden, 2012). All this point to the behavioural change management approaches that positively impact on customer satisfaction and overall brand image that lead to customer retention and future sales (Hill & Alexander, 2017).

Whereas the relationship between interactive marketing practices and market performance seem to have been explored as seen above, no attention was made to examining mechanisms through which they are related (Aslam et al., 2015; Dushyenthan, 2012). This is contrary to the recommendations by Nkundabanyanga, (2016), MacKinnon et al., (2012), and Kamukama et al., (2017; 2011), related to the significance of assessing the effects of a third variable in business research. This practice has been found to limit not only the understanding of actual relationships and processes through which one variable affects another (Kistler, 2009), but also expose practitioners and scholars to a risk of failing to make legitimate decisions and conclusions that can foster business growth. This study consequent to this reflection, observes that existing studies on firm performance have not considered in their models the mediating role of competitive advantage in the relationship between interactive marketing practices and market performance (Wira & Yasa, 2018; Kamukama et al., 2017; Achmad et al., 2014; Kamukama, Ahiauzu & Ntayi, 2011; and Lopez-Gamero et al., 2009). These studies investigated competitive advantage as a mediator in different contexts and at different times which makes a difference from this study. Besides, no study has investigated interactive marketing practices-market performance relationships in the soft drinks industry in Kigali City-Rwanda. This notwithstanding, other studies have found no mediation effect of competitive advantage (Setyawati et al., 2017). This study wanted to theoretically bridge this knowledge gap (s) by investigating the mediating role of competitive advantage on both interactive marketing practices and its relationship with market performance in the soft drink manufacturing setting in Kigali City-Rwanda.

2.0 LITERATURE REVIEW

2.1 Interactive Marketing Practices-Market Performance Relationship

Interactive Marketing Practices in this study refers to a combination of firm-level electronic promotion activities to reach their targeted audience (Stone & Woodcock, 2014). Scholars like Sihi, (2018) describe them as any modern communication means that well attend to information needs of target audience. He is convinced that two-way communication strategy that provides for continued exchange stimulate positive firm-client relationship. Content marketing, social media marketing and search engine marketing activities depict the multifaceted character with each facet causing change in purchase behaviour, thus were used as measures of interactive Marketing Practices (Holliman and Rowley, 2014; Appel et al., 2019; Nyagadza, 2020; Yogesh et al., 2020) These scholars find these interact facets constituting a big explanatory power especially when they help not only improve product awareness or visibility but also generate customer loyalty and increase in customer base. The video, text, voices, blog posts etc used on different social media platforms help create and maintain warm firm-client relationship. Ostensibly this electronic word of mouth provide room for solving customer queries or fears leading to customer loyalty, customer satisfaction and sales which increase the revenue streams of a firm (Hill & Alexander, 2017).

A study by Haeckel, (1998) report that human-to-content, human-to-human, and human-to-computer interactions pursued by firms help bring about change in purchase behaviour of customers in ways that cannot be ascertained in short term. The outcomes of such interventions are hard to ascertain quantitatively but as Qin, (2020), put it such product-consumer interactions influence customer attitude and trust thus immense sales outcomes in long term. Different strategic communication scholars place emphasis on certain Interactive Marketing Practices than others, where for example Hollebeek, (2011); predict customer satisfaction emanating from change in customer attitude evoked by firm-client interactions especially in online selling context. Marketers are therefore put to task to prioritise certain Interactive Marketing Practices for purposes of aligning them to characteristics of market segment targeted. Hoeck & Spann, (2020) are in support of this argument. They postulate that as consumers interact with product information online, this triggers their intention to buy. This all together tend to depict the connectedness between Interactive Marketing Practices with achievement of a firm's performance objectives. This interrelationship is echoed on by Pasharibu *et al.*, (2020) when they link buyer perception with achievement of performance targets. More evidence is provided by Liu and Shrum, (2002) on how such information exchanges facilitated by a two-way firm-client interactions improve brand recall and later increased brand awareness. In this case it is hoped that if soft drink enterprises adopt Interactive Marketing Practices in disseminating their marketing information, this will bring them more closely to their customers (Koch & Windsperger, 2017). This study bases on these empirical facts to confidently ascertain that Interactive Marketing Practices have a big role for firms in terms of achieving their sales targets (Van Heerde *et al.*, 2019).

Despite this general agreement on the influence that Interactive Marketing Practices have on market performance of firms by some strategic marketing communication scholars (Aslam *et al.*, 2015; Dushyenthan, 2012), others have tended to disagree. For example, Fahmy & Ghoneim, (2016) base on individual differences to report that the effects of marketing interactivity may differ across different content users. Beyond these differential effects, other scholars observe that acquiring likes may not be sufficient enough to explain purchase behaviour change (Mochon *et al.*, 2017). Moreover, whereas the intention for sharing marketing messages is transfer of meaning or knowledge that lead to altering purchase impression, the outcomes of such efforts are partly futile in certain situations (Yoon, 2009). This study bases on these divergent views to claim that the debate on the relationship between Interactive Marketing Practices used by a firm and performance outcomes realised is elusive, partly justifying this study on soft drink enterprises in Kigali City. A hypothesis was therefore drawn, thus:

H₁: Interactive Marketing Practices positively relate with market performance.

2.2 Competitive Advantage, Interactive Marketing Practices and Market Performance

Firm choose and implement strategic priorities that well match their business focus and this makes the whole practice different across firms. By and large, firms that have well aligned their competitive options to the market needs have seen their market positions improved. Competitive advantage has been viewed differently by scholars; however, this study adopts the definition by Victoria & Pantelis, (2009). According to them competitive advantage reflects a “firm's ability to take advantage of the potential market opportunities, sooner, better and possibly at a lower unit cost than competitors”. Porter, (1985) explains the same concept to echo a “firm's ability to earn high returns on investment that are overly above industry average returns consistently”. Other views portrayed in industrial organisation literature on competitive advantage reveal that it does

with value creation (Barney 1991) and that it originates from strategic assets (Meso and Smith 2000). Other studies by Kamukama *et al.*, (2011) and Nkundabanyanga (2016) tend to use intellectual capital when explaining the linkages between firm performance and competitive advantage. Such views seen from the dynamic capability theory angle, depict that competitive advantage, is an outcome of firm's manipulative activities in due course of its response to market stimuli (Eisenhardt & Martin, 2000; Teec, Pisano & Shuen, 1997). Ostensibly, the theory emphasis is on the unceasing effort by firms to study the customer's needs spectrum to evoke customer-focused service delivery. Moreover, customer relationship literature tends to affirm that the basis for sustainable competitive advantage position, is the ability to deliver value or benefit at a low cost than the rivals in the industry (Lafley & Martin, 2014). This assertion tends to lean on the assumption that the customer pays for benefit or value (Porter, 1979). Using the network theory lens, we argue that firms that are able to exploit network information benefits remains relevant. Such firms are able to use information to harness benefits that accrue to a firm which create and maintain warm-firm-customer relationship. This indeed is explained by Koch & Windsperger, (2017) to echo Interactive marketing practices which is a mechanism that allow for continued exchanges between the supply and demand sides of the market.

The above discussion means that generally Interactive Marketing Practices, encompass any technology-related firm communication activities which help to improve brand name positively. A number of related marketing outcomes are identified including but not limited to increased brand recall, brand recognition, customer engagement, customer loyalty, sales leads and profitability (Odden, 2012; Hoeck & Spann, 2020; Hill & Alexander, 2017). A study by Osinga *et al.*, (2019) show that such marketing outcomes manifest existence of competitive advantage and improved market performance. Beyond these outcomes, the communication and exchange are facilitative roles that Interactive Marketing Practices have reportedly enabled, especially between and among clients themselves at a personal level (Liu & Shrum, 2002). The ability of interactive features to create memorable experience which make customers to come back again and again is reported by Bag *et al.*, (2020). Customer moreover tend to feel that such firms are passionate to them and their needs. This all-together influence customer's trust constituting a motivation for future purchase (Ball *et al.*, 2014). This shows the power embedded in using interactive communication strategy to influence customer's choices (Smith, 2011).

Our study tends to show that firm's competitive advantage and its performance are greatly influenced by adoption of Interactive Marketing Practices (Dushyenthan, 2012; Murugesan *et al.*, 2016; Content Marketing Institute, 2017). These scholars emphasise the imperative for firm to enact their interactive marketing functions if they are to achieve positive market performance outcomes. We observe however that empirical research on these relationships is scanty which partly motivated this study. Again, we observe that existing studies on Interactive Marketing Practices-market performance relationship ignored testing the mediating role of competitive advantage (Dushyenthan, 2012; Aslam *et al.*, 2015). Studies which investigated competitive advantage did not look at interactive marketing practices and market performance. This means that the extent to which competitive advantages mediate the relationship between Interactive Marketing Practices and performance is not known, specifically in a soft drink context. To address this knowledge gap, this study hypothesises, thus;

H₂: Competitive advantage is positively associated with Interactive Marketing Practices

H₃: Competitive advantage mediates Interactive Marketing Practices and market performance

3.0 METHODOLOGY

This study followed critical realism philosophy which informed the choice of methods that were used. It was a cross sectional study which used both questionnaire and interview guide to collect data from communication/public relations, marketing, accounting, finance and sales managers for the quantitative survey and the chief executive officers for the qualitative interviews at a point in time (Bell et al., 2018). The 322 samples used were employees of soft drink enterprises operating in Kigali City. From a total population of 1988 soft drink enterprises in Kigali City according to RDB, Business Register, (2020), the study established the sample size using Krejcie and Morgan, (1970), sample determination table. Stratified sampling strategy was employed to first identify categories of soft drink firms and again according to districts. From these random samples were taken. As part of operationalisation of our study variables, scholars like Jayapal & Omar, (2017), Selvam et al., (2016), Santos & Brito, (2012) and Yildiz & Karakas, (2012), helped us to come up with customer retention and sales as measures of performance. On the other hand, scholars like Yogesh et al., (2020); Nyagadza, (2020); Holliman and Rowley, (2014), and Bucy, (2004) guided our choice of dimensions for interactive marketing practices: i.e social media marketing, content marketing, and search engine marketing which altogether depict the three marketing interactivity forms that prevail in most online interactions encompassing the human-to-human, human-to-content and human-to-computer interfaces). Guided by Leung et al., (2011), we adopted a five-point likert scale ranging from 5 (strongly agree) to 1 (strongly disagree). The instrument validation involved among others, using academic and industrial experts to gauge the relevancy of our questions. Consistency was observed through the achieved Cronbach alpha coefficients. The observed validity and reliability scores fell within the acceptable range as shown below;

Table 1: Reliability and Validity Results

Variable	CVIs	Cronbach's Alpha	No of Items
Interactive marketing practices	0.784	0.810	37
Competitive advantage	0.875	0.702	36
Market performance	0.875	0.837	18

Efforts were also made to ensure conformance of data to parametric assumptions of linearity of data, normality of data, multi-collinearity and homogeneity of variance (Verma, 2019). This informed the choice of analysis methods. Consequently, the model was tested using Hierarchical regression, AMOS, and MedGraph v3.xlsm. Here below we show how we specified our research model;

$$Y = a + b_1x_1 + b_2x_2 + e$$

Where, Y= Market Performance, a represents constant, b₁ and b₂ represent standardised beta values, x₁ and x₂ represent interactive marketing practices and competitive advantage, e represent error term.

4.0 FINDINGS

4.1 Results

The November-December, 2021 data collection activity was carried out on 322 soft drink enterprises operating in Kigali City, and only 253 enterprises well filed and returned the questionnaires, constituting a response rate of 78.5%. Thus the analysis and conclusion below drew from these respondents' opinions.

Table 2: Pearson Correlation

Variables	1	2	3	4	5	6	7	8	9	10
Social media marketing-1	1									
Search engine marketing-2	-.058	1								
Interactive marketing practices-3	.753**	.614*	1							
Operational excellence-4	.574**	.081	.508	1						
Product leadership-5	-.154*	.227*	.028	-	1					
Customer intimacy-6	-.019	.235*	.140	-	.142	1				
Competitive advantage-7	.247**	.309*	.400	.522	.653	.526	1			
Customer Retention-8	.003	.056	.040	.090	.009	.374	.237	.608	1	
Sales -9	.194**	.302*	.353	.615	.025	-	.373	.190	.066	1
Market Performance-10	.085	.302*	.267	.479	.036	.135	.385	.584	.537	.792

** . Correlation is significant at the 0.01 level (1-tailed).

* . Correlation is significant at the 0.05 level (1-tailed).

The Correlation results *Table 2* above reveal a positive and significant correlation between interactive marketing practices and market performance ($r=.267, p<.01$). This finding supports our hypothesis one (H_1).

The mediation test conducted using regression analysis and MeGraph v3.xlsm (Excel Version 2010) also established the significance of competitive advantage as a mediation variable on the relationship between Interactive marketing practices and market performance. The mediation tests conducted in this study established that the conditions as suggested by Baron and Kenny, (1986), met fulfilled. The inferential statistics shown in in *Table 3* and *figure 1* confirm the obtained results.

Table 3: Hierarchical Regression

Predictors	Dependent variable			Competitive advantage (MV)			Market performance (DV)		
	B	SE	β	B	SE	β	B	SE	β
Intercept	2.423 (0.000)	.172		2.634 (0.000)	.236		1.582 (0.000)	.301	
Interactive Marketing practices (IV)	0.304 (0.000)	.044	.400	0.265 (0.000)	.061	.267	0.133 (0.035)	.063	.134
Competitive advantage (MD)							0.434 (0.000)	.083	.332

Note: n=253, B=Unstandardized coefficients, β =standardized coefficients, SE, Standard errors

Table 3 indicate *that* the mediation assumptions according to Baron and Kenny, (1986), were satisfied. In the first place, there was an observed significant direct total effect of Interactive marketing practices on market performance ($\beta = .267$; $p < .05$). Secondly, Interactive marketing practices and competitive advantage were found to be significantly related ($\beta = .400$; $p < .05$). Thirdly, coefficient of the mediator that was observed (competitive advantage) is significant in the regression model 3 ($\beta = .385$; $p < .05$). Lastly, we observed that the direct effect of Interactive marketing practices on market performance is relatively smaller in regression model 3 ($\beta = .134$; $p < .05$) compared to regression model 2 ($\beta = .267$; $p < .05$).

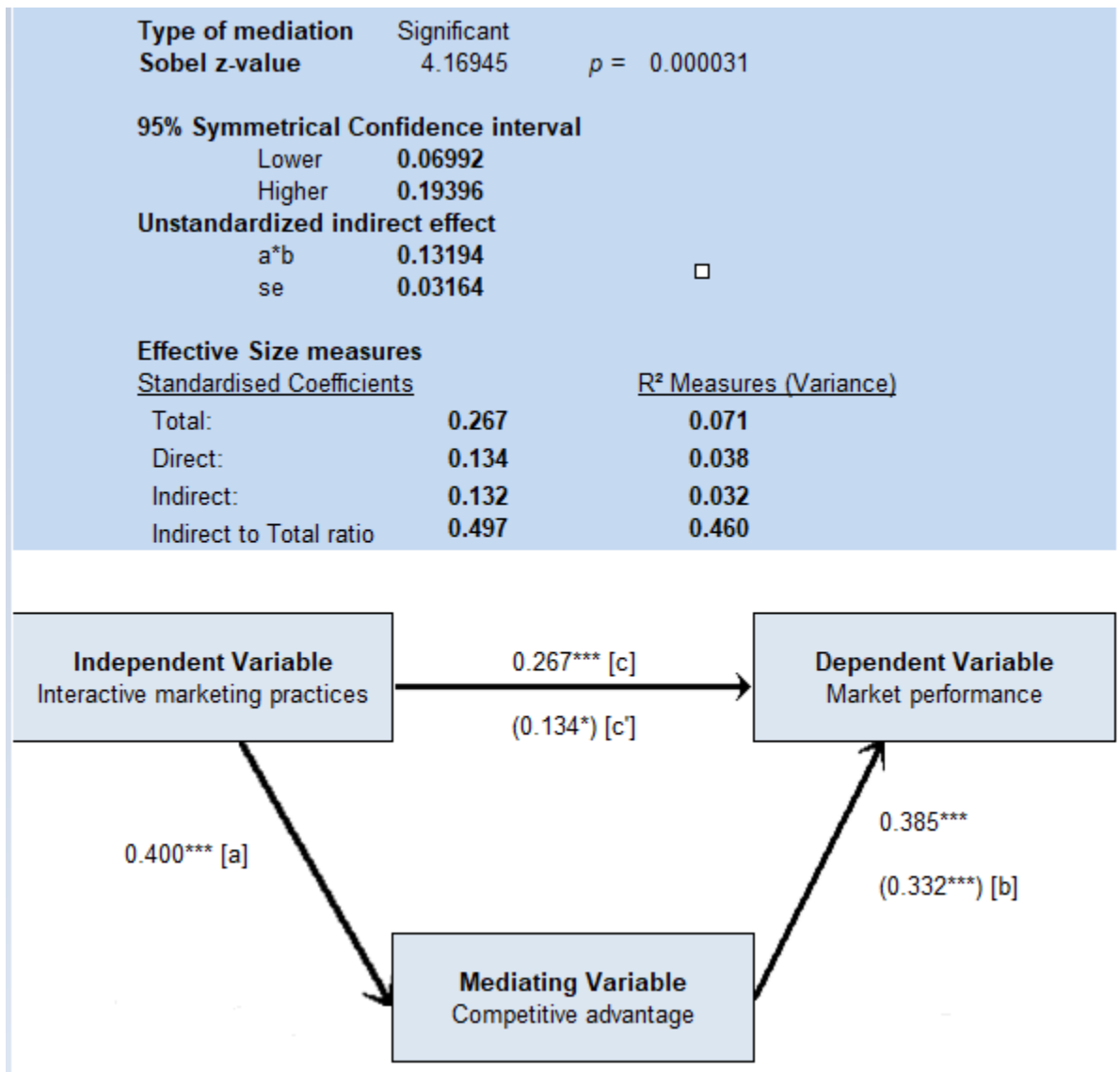


Figure I: Medgraph Results

As shown in the Sobel Z test carried out as portrayed in *Figure I* above, a Sobel z-value of 4,169 with p-value 0.000031 was observed. Since the calculated Z-value is greater than 1.96 (with a confidence level of 95%), competitive advantage which was the assumed mediating variable impliedly had mediating effects (Preacher and Hayes, 2004). Again the study observed a ratio index of 41.9% ($[(.270-.157)/.270]*100$), which further confirmed the mediating effects. But since correlation between interactive marketing practices and market performance reduced to a significant level (i.e from 0.270** to 0.157**), it indicates that competitive advantage partially mediates the relationship between the independent variable and the independent variable (Jose, 2013). It therefore means that 58.1% of the effect of interactive marketing practices on market performance is direct.

4.2 Discussion

This study found out a positive and significant association between interactive marketing practices and market performance of soft drink enterprises in Kigali City as indicated in *Table 2* above. The implication for this finding is that increase usage of interactive marketing practices at a firm level lead to direct improvement their performance. This study finding mean that if soft drink enterprises well use Interactive Marketing Practices, they can improve their global visibility, get to well know their customers' real needs. This has the potential of creating valuable and memorable customer experience which is known in business literature to lead to good customer relationships and sales revenue (Sama, 2019). Similar deduction id made by Wedel & Kannan, (2016), trying to link customer actions that are provoked by good customer relations in online buying context. These insights speak well with social exchange theory which expects a firm to interactively keep in close proximity with its clients (Homans, 1958). There hope that a firm's strategy to increase patronage has to well exploit benefits of a two-way communication that is mediated by technology. A deeper scrutiny of the in-depth interviews reflects the same effects. Some extracts from the in-depth interviews reveal more details;

"....[.....]. The good thing is that our soft drink products have recently realized increasing demand perhaps because of sunshine that has persisted for some days.....Many factors explain such increases besides weather conditions;...for example the adverts that we put on radios and at times posting instant messages of our products and on the face book" (CEO in Nyarugenge district, case 7)

"....[.....]..... our approach to realising numbers has been through our strategy of constantly keeping in touch with our clients through instant short messages and at times using bloggers....[.....]". The CEO in Kicukiro district (Case 1).

In line with hypothesis (*H2*), this study found out that a positive and significant relationship exists between interactive marketing practices and competitive advantage. The managerial message derived from this finding is that a firm's attempt to orient its communication strategy towards building feedback system that make it possible for clients to exchange their views with firms, will lead to better competitive advantage. Any interactive communication system would strengthen firm's ability to achieve its market goals. Quite a number of studies have confirmed this assertion, where all technology-mediated firm communication activities are seen to have the potential to not only increase brand awareness but also customer loyalty and increase sales which are indicators of competitive advantage (Odden, 2012; Hoeck & Spann, 2020; Hill & Alexander, 2017). Extracts from in-depth interview reveal more about the same relationship;

[]..... *“and as business we can't confine ourselves to using one or two approaches to reach our customers but a combination of them including emails, websites, Live events, newspapers, customer rewards programs and games sponsorships to advertise and increase awareness for purposes of changing our market position[.....]”* (CEO Kicukiro district, case 6).

“.....yes we engage in different online communication activities and we use a combination of technologies to disseminate our product information which has helped to improve our market position ... [.....]....” (CEO in Gasabo district, case 16)

“..[].....to attain this market position, we have tried to offer products with features that have passed quality assurance standards internally and externally from the government.....””(CEO, Kicukiro district, case 14).

“.....[.....] our sales have always varied from time to time, sometimes realizing big sales sometimes realizing relatively smaller volumes....when things go well, we thank God...[.....]...” (CEO, Gasabo district, Case 15)

Lastly, this study tested the mediating role of competitive advantage in the association between interactive marketing practices and market performance of soft drink enterprises in Kigali City. As reported in table 3 and figure 1 above, a partial type of mediation was reported where competitive advantage was found to reduce the effects of interactive marketing practices on market performance by 58.1%. This findings shows that the entire effect on market performance does not only go through Interactive Marketing Practices but also competitive advantage.

5.0 CONCLUSION AND RECOMMENDATIONS

5.1 Theoretical Contributions

In this study, the mediation role of competitive advantage was investigated in the context of soft drink manufacturing enterprises in Kigali City. We observe that the present study builds on other works carried out on the relationship between Interactive Marketing Practices and performance (Aslam et al., 2015; Dushyenthan, 2012; Nyagadza, 2020; Yogesh et al., 2020). Apparently these studies looked at specific firm-level Interactive Marketing Practices, without a thorough consideration of all the three interactive facets i.e human-to-content, human-to-human, and human-to-computer interactions in Kigali City in a soft drink industry context. This study simultaneously explored how the three marketing interactivity functions are used by soft drink enterprises to bend demand to their favour. This in itself mean that this study made a big contribution to interactivity theory application in the soft drink industry context. Previous scholars looked at competitive advantage as a mediator (Lopez-Gamero *et al.*, 2009; Kamukama *et al.*,

2011; Kamukama *et al.*, 2017), however, their focus was on other predictors. In our study we studies the mediating effects of competitive advantage on the association between Interactive Marketing Practices and market performance in the soft drink industry. So to speak, they neglected the mediating role of competitive advantage in these relationships. Using responses from participants, this study tested the mediating role of competitive advantage on the association between Interactive Marketing Practices and market performance and confirmed the relationship. Since competitive advantage is confirmed as a mediator, firms are reminded to allocate sufficient resources to product leadership, operational excellence and customer intimacy. On the basis of confirmed relationship between Interactive Marketing Practices and market performance, firms are advised to use interactive marketing channels to disseminate marketing information.

5.2 Recommendations

In consideration of market performance failures that have unceasingly affected soft drink enterprises globally, regionally, and locally in Rwanda, the digital market space characteristics emphatically signals on soft drink enterprises to recognize the need for full adoption of interactive communication culture aimed at enlarging their digital presence and increased awareness for competitiveness. These firms are invited to embrace social interaction stance that allows for continued exchange with their publics. The study results tend to suggest that managers of soft drink enterprises invest more resources on internal process improvements that lead to per unit cost reduction. They should pay more attention to improving their product features that match their client needs and also having to seriously monitor trends in their customer sentiments for purposes of intimate relations with them. All this is hoped to enhance positive public image which breeds new sales leads that eventually alter the whole firm's operational outcomes positively.

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