

# The Relationship between Marketing Strategy and Marketing Channels of Communication

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## Abstract

The overall objective of this study is to investigate the relationship between the expansion of marketing channels and marketing strategy is the first to examine the process of a questionnaire containing 19 questions was used as the existing standard . The research population , employees of manufacturing companies and trading company in Iran that their number is 1176 people . Sample size using the formula by including sampling error was estimated at 0.05 confidence level 0.95 times the number of 128 samples were selected by simple random sampling method . After collecting the questionnaires, data , summarization , classification - classification and descriptive statistics were analyzed using confirmatory factor analysis . Cronbach's alpha blend factor equal to 0.96 . Output correlation coefficient test confirmed all the research hypotheses using structural equation in the general case the connection between the expansion of marketing channels and marketing strategy were found to be equal to 0.67.

**Keywords:** Marketing, Marketing Strategy, Channel Distribution, Customer

## Introduction

Nowadays, services dynamic world makes marketing promotions important more than last times. A service should be designed based on the customer needs and its price is realistic. It also is necessary that the services be distributed through convenience distribution channels and be advertised among customers actively. New companies should attempt to regulate their products price appropriately and also make communicational efforts so exactly that be able to make position for them which is attractive for target market customers. Generally, the

strategies can be divided into three groups including total, business, and functional strategies. The functional strategies refer to the applied attitude in a business unit for achieving companies and businesses main goals through maximizing resources productivity. Functional strategies include marketing, financial, research and development, production and operations, human resources management, and information systems. So, marketing strategy is considered as a functional strategy.

Marketing strategies refer to tools which can be used for achieving goals. These strategies refer to this question "how goals can be achieved?" Marketing design success depends on the efficiency of marketing strategies. It is possible to determine a strategy for every marketing mix elements (Hart, 2003). Indeed, marketing strategy includes different variables that the company can control them or which the company can adapt itself with them so exactly that helps the organization to achieve its goals. Indeed, it is the internal facilities and authorities that can be controlled. On the other hand, demand, competition forces, distribution structure, marketing rules, and non-marketing costs are the main uncontrollable (environmental) variables. The marketing strategy controllable variables include product, price, place, distribution, people (employees), assets, process, and physical equipment.

### **Review of literature**

Generally, marketing mix refers to the marketing managements' main efforts. After selecting a target market, marketing managers have to develop a systematic sales plan for attracting customers and creating long-term relations with them. Marketing plan is resulted from managerial decisions in terms of marketing mix (product, price, place, and promotion). Indeed, these are the most important parameters which marketing managers allocate company's resources for them in order to achieve sales and profit goals (Goi, 2009). Review of marketing literature reveals that 4Ps is the most acceptable marketing mix which includes product, price, place (distribution), and promotion. The concept of marketing mix has been introduced by Bourden (1950) for them first time in the frame of 4Ps (Nakhchian, 2009).

The services marketing theorists study the differences between services and goods marketing. Smith pointed out that a large part of these efforts are focused on the marketing mix concept. He believes that the services marketing mix is different from good marketing mix. Indeed, he stresses that services marketing requires different decisions than goods marketing. He differentiates services marketing from goods marketing. He suggests that people (employees), physical assets, and processes are other elements of services marketing mix than goods marketing mix. In other words, Smith believes that services marketing mix consists of 7 elements including product, price, place (distribution), promotion, people (employees), physical assets, and processes (Kotler, 2004).

### **Product**

Product refers to a marketing mix element that is related to creativity and development in the product management. Product decisions are very important, as these decisions are related to the production so that satisfy customers' needs and wants.

### **Pricing**

Price is one of the fundamental marketing mix elements. Indeed, price should be acceptable for final consumers and determines other marketing mix elements. Services price is a value that services provider make. It should have adaptability with customer perception. If a service price is very high, the customers do not use it and vice versa. In other words, if the service

price is low, the customers perceive it as a low-quality and undesirable services. Many services providers offer different types of services for market segments (Kotler, 2004).

### **Promotion**

Promotional plans are developed for informing target customers from company's products. Unfortunately, some people think that the effective marketing efforts (providing appropriate services with appropriate price levels in a favorable place for satisfying customers' needs and wants) do not need comprehensive advertisements. Generally, promotional efforts include direct marketing, public relations, advertisements, sales promotions (Roosta et al., 2001). Marketing and advertisement professionals like talking about consumption markets, consumers, and customers. On the other hand, public relations specialists interest in publicity, audience, and stakeholders. These groups are the people who are influenced by company and also influence it. From their perspective, public relations are free from any encouragement and persuasion. Indeed, the ideal purpose of public relations is to create perception and cooperation by which two-way dialogue will be possible. Based on the definition, marketing efforts are developed in order to encourage customers and consumers for purchasing and consuming goods and services (Willcocks, 2007).

### **Place**

Place (distribution) refers to the process of delivering products to the customers sufficiently and minimizing transportation and saving costs. In other words, place or distribution is the process of providing services in the best place and time and in a best manner.

### **Functions of distribution channel**

As indicated in the previous sections, distribution channel is a system by which products are transmitted from producers to the customers. The members of distribution channel are obligated to do the following functions:

1. **Information:** collecting necessary information for planning
2. **Advertisement:** preparing and broadcasting persuasive information about products
3. **Contact:** finding and contacting potential buyers.
4. **Adaption:** forming and preparing products which are adaptable with buyers' taste and desires.
5. **Negotiation:** negotiating about price and other transaction conditions.

### **Offensive marketing**

In in the end of 20<sup>th</sup> century, marketing professionals found that the successful marketing is not the sum of marketing employees' common and day-to-day marketing efforts. They point out that marketing is a phenomenon which consists of thoughts, actions, competition, and process of marketing design. Davishen (2000) suggests a modern marketing theory which is known as offensive marketing. The reason is that the common approach to marketing is a utility approach. The profit secures business' survive. This is the main factor which makes marketing efforts as the leader in every company. In order to use offensive marketing approach, it is necessary that not only the company is free from bureaucratic process and procedures, but also it is followed that a good marketing effort is possible through agility and economic capability. Nowadays, it has been forgotten, as successful marketing is creation of opportunity which derives from appropriate attitudes, organizing, and marketing techniques. This is why that offensive marketing approach offers a simple formula which refers to the

implementation of fundamental marketing plans through hardworking and happy employees. The present study has been aimed to introduce aggressive, marketing approach as an effective approach is development of internal and international marketing among businesses.

### **Offensive marketing**

It is very difficult to find a sound and agreed definition of marketing. Some authors consider marketing as a price management technique and some others refer to marketing from financial perspective. There are a third group of authors who consider marketing as a combination of both previous techniques. On the other hand, some authors consider marketing as an organizational department and some others believe that marketing is the factor of sales. The consultants of Oxford Company point out that effective management of customer benefits is the best definition for marketing. It should be remembered the construct of "customers" refers to both internal and external customers in which external customers are products buyers and internal ones are organizational members (employees). The concept of "customer benefits" refers to the appropriate combination of price and quality. In this regard, management is the process of acquiring or producing customer benefits in the goods and services. Although this definition of marketing, profitability of the marketing process is not referred, but the concept of effective management shows the importance of producing customer benefits.

It should be remembered that marketing is considered as an administrative function in many companies and employees of other departments do not play any role in the marketing process, as they have not any contact with external customers. Offensive marketing attempts to change this meaning so that any organizational member considers his/herself as a marketer. In offensive marketing approach, marketing requires that every organizational member has a role in delivering customer value by which the organization will achieve its organizational goals. In such as approach, marketing professionals have to educate other departments' employees.

Based on the offensive marketing approach, every organizational member follow two main goals. The first is increasing customer benefits which results from goods and services sale. The second is achieving higher levels of profitability more than industry's common profit level. In this process, the offensive marketer paves the ground for pure production. Their ideal purpose is to produce goods and provide services with high quality and low price. Indeed, price and quality are the main fundamentals of customer priority. Indeed, when the company achieves the most profitability that its customer perceive a good quality with appropriate price. Undoubtedly, it is difficult to find and maintain a condition in which the company achieves the most profitability. Customer benefits are actual phenomenon which focuses on the customer's objective criteria. Maintaining these criteria requires continuous performance improvement, as the best improvements and innovations in the products will be duplicated by competitors. As a result, competitors enter the market with better performance. On the other hand, increase in the customers' experiences in different areas results in more expectations in them. This is why that the company will be unsuccessful, if it cannot improve its products continuously. As a result, the customers go toward competitors. It should not be forgotten that there is a significant relationship between satisfying customers' needs and wants and company's profitability. In other words, customers' loyalty to products is a gift that the customer gives to the organization. It can be seemed that the companies with higher levels of customer loyalty achieve more profitability. It should be remembered that both internal and external customers evaluate the products based on a single criterion: "are the

products satisfy the customers' needs and wants?" customer satisfaction has a deeper meaning in offensive marketing literature. Indeed, it refers that the company should adapt its strengths with appropriate market opportunities in a best manner. Also it refers that the company should do its efforts with low costs in order to satisfy its customers' needs and wants. Indeed, business should consider themselves as the customers' agent. The most important competitive advantage of Japanese companies such as Toyota is their capability in creating and maintaining customer benefits. The phrase of "achieving high profitability" means that the businesses should be able to better than their competitors in terms of main criteria such as sales, return on investment, and economic added-value. It is the customer benefits that make customer loyal to the company. Offensive marketing focuses on the long-term growth management. If a company invests in producing goods and providing services in accordance with customers' needs and wants continuously, it will be able to improve its customers' benefits and achieve its short-term and long-term goals.

There are five principles in offensive marketing that are based on the P. O. I. S. E. these have been presented and described in the following section.

**Profitability:** this principle of offensive marketing refers to this fact that the purpose of marketing it not achieving higher levels of market share or maintaining customer benefits, but its purpose also is to increase profitability. Indeed, the principle attempts to create a win-win relationship between company and its customers. Creating such a relationship is one of the most important skills of offensive marketers.

**Being aggressive:** it is emphasized in the principle of "being aggressive" that a business should respond customer and market changes. A rational competition-taking and risk-taking in every environmental condition is the most important method in this principle.

**Integration:** producing goods and providing services with high quality and low costs requires coordination and integration of operations, processes, and organizational members. In such conditions, the company will be able to deliver products in the best time for its customers with high quality, cheaper, and more attractive in comparison to its competitors.

**Being strategic:** strategic perspective in the marketing plans development is one of the fundamental principles in aggressive marketing. Having a long-term perspective, environmental analysis, and ability of predicting environmental changes at macro level leads to develop strategies. Implementation of such strategies results in the company's leadership in market.

**Effective implementation:** effective management, continuous improvement, direction of strategic plans, win-win strategies implementation, and operational plans are the most important principles by which it will be possible for company to achieve its goals. The most important question which should be answered is that "how a company can be an offensive marketer?"

### Marketing channels

Distribution channel is a bridge between marketing manager and market. Indeed, design and management of marketing supply channel is a challenging and ongoing function. Sales manager should ensure that the channel is in line with satisfying customers' needs and wants. On the other hand, the seller should satisfy the channel members' needs and wants in order to achieve channel's purposes. After reading these topics, you will be able to understand the following issues.

1. Main elements of distribution channel
2. Complementary or alternative forms of supply channels

3. Managerial purposes which can be used in evaluating alternative channels structures
4. Production agents and industrial distributors' identity and performance
5. Needs of designing present channels
6. Methods of measuring channel performance.

The industrial products are distributed through distribution channels networks. These channels are the basis of industrial economy. If agriculture and factories are the heart of Industrial America, distribution network is its distribution system. Beside the distribution branches, wholesalers, agents, and brokers are the main actors of industrial products distribution channels and their function is to purchase, save, and transmit products. These distribution channels are autonomous organizations which are organized poorly. Indeed, they are cooperated with each other through contracts, knowledge, and expectations. As indicated in the previous sections, marketing channel is a tool by which industrial producer find new suggestions and expectations for production, communicate with existing customers, and deliver products. Stern and Fredrik show strategic importance of these channels and point out that all of the marketing decisions are important. A company can change its prices and advertisements simply, develop new marketing research agents, and make its promotional plans modern. It also can modify its production line and assembly line. On the other hand, it is very difficult to change distribution channel. Selection of a good distribution channel is a challenging issue. The reasons are that it has many alternatives; there are different marketing goals; different market sections diversity requires that all of the distribution channels should be used simultaneously.

Marketing channel strategy consists of two important aspects. The first is that the channel structure should be designed so exactly that achieves marketing goals. Determining channels goals, predicting channels limitations, analyzing channels performance, recognizing alternative channels, and selecting channel members are the main interests of designing distribution channels. The second is that when the channel structure will be determined, commercial marketer has to manage channel so exactly that be able to achieve its goals. In order to manage channel performance effectively, the managers should be able to develop the methods in order to select mediators and encourage them for achieving purposes and solving their problems and difficulties. Distribution channels play an important role across the marketing schema.

With regard to literature review, the research hypotheses have been developed and were indicated in the following section.

### **Hypotheses development**

**Main hypothesis:** there is a significant relationship between marketing strategy and expansion of distribution channels.

### **Secondary hypotheses**

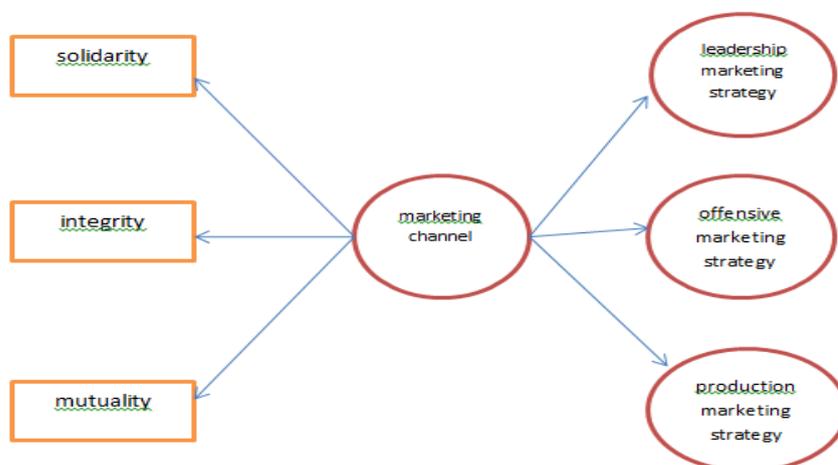
1. There is a significant relationship between offensive marketing strategy and levels of single marketing channel.
2. There is a significant relationship between offensive marketing strategy and levels of twofold marketing channel.
3. There is a significant relationship between offensive marketing strategy and levels of multiple marketing channel.
4. There is a significant relationship between price leadership marketing strategy and levels of single marketing channel.
5. There is a significant relationship between price leadership marketing strategy and

levels of twofold marketing channel.

6. There is a significant relationship between price leadership marketing strategy and levels of multiple marketing channel.
7. There is a significant relationship between production marketing strategy and levels of single marketing channel.
8. There is a significant relationship between production marketing strategy and levels of twofold marketing channel.
9. There is a significant relationship between production marketing strategy and levels of multiple marketing channel.

### The conceptual model of study

The conceptual model of study has been presented in figure 1. The relationships between variables of this model refer to the research hypotheses.



### Research methodology

This study is a descriptive research from methodological view and is a practical one from purpose perspective. Also this study is a correlational research from identity view.

The relationship between research variables will be analyzed based on the research purposes in this study. Also the relationship and its type between independent and dependent variables will be examined in this study. In order to collect the research data, library and field study methods have been followed. This is why that it can be said that this study is a field study based on identity and research methodology. Finally, it should be said that this study is a descriptive-survey study.

### Statistical population and sample

The statistical population of this study includes the productive and commercial companies in the city of Shiraz. A sample of 128 managers has been selected randomly based on the sampling tables.

$$n = \frac{NZ^2pq}{Nd^2 + z^2pq} = 128$$

### Data-collection methods and instrument

the data of this study has been entered to Excel and its primary calculations have been done in this software. In order to summarize the research findings and testing the research

hypotheses, descriptive statistics (average and standard deviation) and inferential statistics (regression analysis and correlation coefficient) have been used. In order to test the main hypothesis of this study, structural equation modeling method has been used in Lisrel. Also confirmatory factor analysis and Pearson correlation coefficient have been used for testing research hypotheses in the SPSS.

#### Reliability and validity of the questionnaire

Validity refers to this fact the data-collection instrument can measure the research variables. The importance of validity is that the insufficient and inappropriate instrument can make the research and its finding unusable and invalid. Validity of every data-collection instrument can be measured and determined by any expert in that field. In order to this, the academic experts and professors were asked to review the questionnaire and indicate their modifications and corrections. In order to examine reliability of this questionnaire, Cronbachs' Alpha Coefficient has been used in this study. In order to this, 19 questions of 30 primary questionnaires have been entreated to the SPSS and then its coefficient was calculated that is 0.96. These findings have been indicated in table 1.

Table 1: the results of examining reliability of questionnaire through Cronbachs' Alpha Coefficient

Questionnaire	Number of questions	Cronbachs' Alpha Coefficient
Examine the relationship between strategy and distribution	19	0.96

## 8. Data analysis

### Descriptive findings

In order to collect the descriptive findings of the study three questions have been developed and then responded by participants. Based on the descriptive findings, 83.6% of the respondents were male and 16.4% of them were female. From age perspective, 69.5% of the respondents had 30-40 years old. Finally, the findings revealed that a half of the respondents had M.Sc.

Table 2: the respondents' demographic characteristics

Variable	Levels	%
Gender	Male	83.6
	Female	16.4
Age	>30	18.8
	30-40	69.5
	41-50	9.4
	<50	2.3

Educational levels	Less than M.Sc.	25
	M.Sc.	50.8
	M.A.	24.2

### Inferential findings

1. There is a significant relationship between offensive marketing strategy and levels of single marketing channel.

H0: there is a relationship offensive marketing strategy and levels of single marketing channel.

H1: there is not any relationship between offensive marketing strategy and levels of single marketing channel.

Table 3: the summary of Pearson correlation coefficient between offensive marketing strategy and levels of single marketing channel.

Variables	Number of samples	Coefficient Of Correlation	(sig) duplex	Result
offensive marketing strategy and levels of single marketing channel	128	0.82	0.000	Is confirmed

As indicated in this table, significance of this test is 0.000 and shows that H0 cannot be supported. Based on the results of this table, it can be said that there is a significant relationship between offensive marketing strategy and levels of single marketing channel.. Therefore, this hypothesis is supported. On the other hand, the results revealed that there is a significant relationship ( $r: 0.82$ ) between offensive marketing strategy and levels of single marketing channel.

2. There is a significant relationship between offensive marketing strategy and levels of twofold marketing channel.

H0: there is a relationship between offensive marketing strategy and levels of twofold marketing channel

H1: there is not any relationship between offensive marketing strategy and levels of twofold marketing channel

Table 4: the summary of Pearson correlation coefficient between offensive marketing strategy and levels of twofold marketing channel

Variables	Number of samples	Coefficient Of Correlation	(sig) duplex	Result
offensive marketing strategy and levels of twofold marketing channel.	128	0.801	0.000	Is confirmed

As indicated in this table, significance of this test is 0.000 and shows that H0 cannot be supported. Based on the results of this table, it can be said that there is a significant relationship between offensive marketing strategy and levels of twofold marketing channel. Therefore, this hypothesis is supported. On the other hand, the results revealed that there is a significant relationship ( $r: 0.801$ ) between offensive marketing strategy and levels of twofold marketing channel

3. There is a significant relationship between offensive marketing strategy and levels of multiple marketing channel.

H0: there is a relationship between offensive marketing strategy and levels of twofold marketing channel

H1: there is not any relationship between offensive marketing strategy and levels of twofold marketing channel

Table 5: the summary of Pearson correlation coefficient between offensive marketing strategy and levels of twofold marketing channel

Variables	Number of samples	Coefficient Of Correlation	(sig) duplex	Result
offensive marketing strategy and levels of multiple marketing channel	128	0.803	0.000	Is confirmed

As indicated in this table, significance of this test is 0.000 and shows that H0 cannot be supported. Based on the results of this table, it can be said that there is a significant relationship between offensive marketing strategy and levels of multiple marketing channel. Therefore, this hypothesis is supported. On the other hand, the results revealed that there is a significant relationship ( $r: 0.803$ ) between offensive marketing strategy and levels of twofold marketing channel

4. There is a significant relationship between price leadership marketing strategy and levels of single marketing channel.

H0: there is a relationship between price leadership marketing strategy and levels of single marketing channel.

H1: there is not any relationship between price leadership marketing strategy and levels of single marketing channel.

Table 6: the summary of Pearson correlation coefficient price leadership marketing strategy and levels of single marketing channel.

Variables	Number of samples	Coefficient Of Correlation	(sig) duplex	Result
price leadership marketing strategy and levels of single marketing channel.	128	0.77	0.000	Is confirmed

As indicated in this table, significance of this test is 0.000 and shows that H0 cannot be supported. Based on the results of this table, it can be said that there is a significant relationship between price leadership marketing strategy and levels of single marketing channel. Therefore, this hypothesis is supported. On the other hand, the results revealed that there is a significant relationship ( $r: 0.77$ ) between price leadership marketing strategy and levels of single marketing channel.

5. There is a significant relationship between price leadership marketing strategy and levels of twofold marketing channel.

H0: there is a relationship between price leadership marketing strategy and levels of twofold marketing channel.

H1: there is not any relationship between price leadership marketing strategy and levels of twofold marketing channel.

Table 7: the summary of Pearson correlation coefficient between price leadership marketing strategy and levels of twofold marketing channel.

Variables	Number of samples	Coefficient Of Correlation	(sig) duplex	Result
price leadership marketing strategy and levels of twofold marketing channel.	128	0.76	0.000	Is confirmed

As indicated in this table, significance of this test is 0.000 and shows that H0 cannot be supported. Based on the results of this table, it can be said that there is a significant relationship between price leadership marketing strategy and levels of twofold marketing channel. Therefore, this hypothesis is supported. On the other hand, the results revealed that there is a significant relationship ( $r: 0.76$ ) between price leadership marketing strategy and levels of twofold marketing channel.

6. There is a significant relationship between price leadership marketing strategy and levels of multiple marketing channel.

H0: there is a relationship between price leadership marketing strategy and levels of multiple marketing channel.

H1: there is not any relationship price leadership marketing strategy and levels of multiple marketing channel.

Table 8: the summary of Pearson correlation coefficient between price leadership marketing strategy and levels of multiple marketing channel.

Variables	Number of samples	Coefficient Of Correlation	(sig) duplex	Result
price leadership marketing strategy and levels of multiple marketing channel.	128	0.78	0.000	Is confirmed

As indicated in this table, significance of this test is 0.000 and shows that H0 cannot be supported. Based on the results of this table, it can be said that there is a significant relationship between price leadership marketing strategy and levels of multiple marketing channel. Therefore, this hypothesis is supported. On the other hand, the results revealed that there is a significant relationship (r: 0.78) between price leadership marketing strategy and levels of multiple marketing channel

7. There is a significant relationship between production marketing strategy and levels of single marketing channel.

H0: there is a relationship between production marketing strategy and levels of single marketing channel.

H1: there is not any relationship production marketing strategy and levels of single marketing channel.

Table 9: the summary of Pearson correlation coefficient between production marketing strategy and levels of single marketing channel.

<b>Variables</b>	<b>Number of samples</b>	<b>Coefficient Of Correlation</b>	<b>(sig) duplex</b>	<b>Result</b>
production marketing strategy and levels of single marketing channel.	128	0.78	0.000	Is confirmed

As indicated in this table, significance of this test is 0.000 and shows that H0 cannot be supported. Based on the results of this table, it can be said that there is a significant relationship between production marketing strategy and levels of single marketing channel. Therefore, this hypothesis is supported. On the other hand, the results revealed that there is a significant relationship (r: 0.78) between production marketing strategy and levels of single marketing channel.

8. There is a significant relationship between production marketing strategy and levels of single marketing channel.

H0: there is a relationship between production marketing strategy and levels of single marketing channel.

H1: there is not any relationship between production marketing strategy and levels of single marketing channel.

Table 10: the summary of Pearson correlation coefficient between production marketing strategy and levels of single marketing channel.

<b>Variables</b>	<b>Number of samples</b>	<b>Coefficient Of Correlation</b>	<b>(sig) duplex</b>	<b>Result</b>
production marketing strategy and levels of twofold marketing channel.	128	0.77	0.000	Is confirmed

As indicated in this table, significance of this test is 0.000 and shows that H0 cannot be supported. Based on the results of this table, it can be said that there is a significant relationship between production marketing strategy and levels of single marketing channel. Therefore, this hypothesis is supported. On the other hand, the results revealed that there is a significant relationship (r: 0.77) between production marketing strategy and levels of single marketing channel.

9. There is a significant relationship between production marketing strategy and levels of twofold marketing channel.

H0: there is a relationship between production marketing strategy and levels of twofold marketing channel.

H1: there is not any relationship between production marketing strategy and levels of twofold marketing channel.

Table 11: the summary of Pearson correlation coefficient between production marketing strategy and levels of twofold marketing channel.

Variables	Number of samples	Coefficient Of Correlation	(sig) duplex	Result
production marketing strategy and levels of multiple marketing channel.	128	0.79	0.000	Is confirmed

As indicated in this table, significance of this test is 0.000 and shows that H0 cannot be supported. Based on the results of this table, it can be said that there is a significant relationship between production marketing strategy and levels of twofold marketing channel. Therefore, this hypothesis is supported. On the other hand, the results revealed that there is a significant relationship ( $r: 0.79$ ) between production marketing strategy and levels of twofold marketing channel.

### Measurement model

Generally, two main models are tested in the structural equation models. The first is measurement model for latent variables. This model refers to the factor loadings of observed variables for latent variables. The goodness of fit measures has been indicated in the following table for all of the latent variables. As indicated in table 3, all of the goodness of fit indexes is in acceptable and in desirable range.

Table 3: the goodness of fit indexes for structural equation modeling

fit indexes	Optimum	Result
$\chi^2/df$	3.00<	0.77
GFI(goodness of fit index)	0.90>	0.98
RMSEA(Root Mean Square Error of Approximation)	0.08<	0.000
RMR(root mean square residual)	0.05<	0.006
NFI (Normed Fit Index)	0.90>	0.99
CFI (Comparative Fit Index)	0.90>	1

### Conclusion

The results of hypotheses test have been presented in the following section. Based on the results of this study, the single marketing channel is supported as one of the components of marketing channel expansion through confirmatory factor analysis. The value is 13.77 (more than 1.96). it can be said that the share of this component in measurement of marketing channel expansion is 0.88. The results of this study revealed that the twofold marketing channel is supported as one of the components of marketing channel expansion through confirmatory factor analysis. The value is 13.07 (more than 1.96). It can be said that the share of this component in measurement of marketing channel expansion is 0.86. Based on the results of this study, the multiple marketing channel is supported as one of the components of marketing channel expansion through confirmatory factor analysis. The value is 12.36

(more than 1.96). It can be said that the share of this component in measurement of marketing channel expansion is 0.88. On the other hand, offensive strategy is considered as one of the components of strategy through confirmatory factor analysis. The value is 15.77 (more than 1.96). It can be said that the share of this component in measurement of marketing channel expansion is 0.94. The results also showed that products diversity strategy is supported as one of the components of marketing channel expansion through confirmatory factor analysis. The value is 14.45 (more than 1.96). It can be said that the share of this component in measurement of marketing channel expansion is 0.90. Based on the results of this study, price leadership strategy is supported as one of the components of marketing channel expansion through confirmatory factor analysis. The value is 1466.77 (more than 1.96). It can be said that the share of this component in measurement of marketing channel expansion is 0.91. Based on the results of this study, the relationship between components of distribution channels expansion and offensive strategy is significant. Also the results showed that the relationship between components of distribution channels expansion and price leadership strategy is confirmed. Also the results indicated that the relationship between marketing strategy and distribution channels expansion is significant. The correlation coefficient was 0.67.

### **Research limitations and empirical suggestions**

The research methodology and theoretical limitations of every study such as our study results in answers bias, respondents' sensitivity toward questions and sample leads that the authors cannot generalize the results of the study to other populations. Since the survey has been done through questionnaire, it is somewhat difficult to generalize its findings. Lack of sufficient research fund is another limitation of our study.

Marketing strategies are tools for achieving organizational goals. Indeed, these strategies attempt to answer the question "how goals can be achieved?" success of marketing designs depends on the efficiency of marketing strategy. It should be remembered that the strategy can be determined for each of the marketing mix elements. Indeed, marketing strategy includes different variables that the company can control them or adapt them with uncontrollable variables so that achieve its goals. Internal facilities and equipment in every organization refer to the controllable assets. On the other hand, demand, competition forces, distribution structure, marketing rules, and non-marketing costs are the main uncontrollable variables. The results of our study revealed that there is a significant relationship between marketing strategies and marketing channels expansion. Based on these results, it is suggested that milk production companies attend this strategy so that use multiple distribution channels for delivering their products to the customers. Multiple distribution channels are system in which the company uses several distribution channels for satisfying different market segments' needs and wants simultaneously. Nowadays, every market consists of different sections and every company has several new distribution channels facilities. In such conditions, the companies use different methods for distributing and delivering products to the target customers. It is possible to increase company's sales and profitability through satisfying different market segments needs and wants. It may result in some problems for past distribution channels. The solution is selecting an appropriate distribution channel, analyzing services needs of consumers, goal-setting, limitations, recognition of the main channels, and evaluating them in an appropriate manner.

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