




# Identifying the Components of a Competitive Marketing Model for Achieving Competitive Advantage of Iranian Cosmetic and Hygienic Products in the Iraqi Market

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## ABSTRACT

This study aims to identify and theorize the core components of a competitive marketing model that enables Iranian cosmetic and hygienic products to achieve sustainable competitive advantage in the Iraqi market. The study employed a qualitative research design using grounded theory methodology to develop a context-specific theoretical model. Data were collected through semi-structured interviews with fifteen purposively selected experts, including academic specialists in marketing and branding and experienced managers from the cosmetic and hygienic products industry with export-related expertise. Sampling continued until theoretical saturation was achieved. An interview protocol guided data collection, and trustworthiness was ensured through credibility, transferability, dependability, and confirmability strategies, including member checking. Data were analyzed iteratively using open, axial, and selective coding, allowing categories and their relationships to emerge inductively from the data. The findings indicate that competitive advantage is shaped through the interaction of five interrelated components: causal conditions, contextual conditions, intervening conditions, strategic actions, and outcomes. Causal conditions include intrinsic product strengths, socio-cultural drivers of consumption, and export-oriented government policymaking. Contextual conditions emphasize customer-perceived quality and price, technological capabilities, distribution structures, and product presentation. Intervening conditions consist of both constraining forces such as economic instability, sanctions, and bureaucracy, and enabling forces such as supportive business environments, institutional coordination, and administrative capacity. These conditions collectively influence competitive marketing strategies that lead to multi-level outcomes. The study concludes that competitive marketing for Iranian cosmetic and hygienic products in the Iraqi market is a systemic and dynamic process embedded in institutional, cultural, and economic contexts. The grounded theory model provides an integrated framework linking firm-level strategies to market and national-level outcomes, offering both theoretical contributions and practical guidance for firms and policymakers seeking to strengthen non-oil export competitiveness.

**Keywords:** Competitive marketing; competitive advantage; cosmetic and hygienic products; grounded theory; Iraqi market; export marketing.

## Introduction

In recent years, intensifying competition in regional and international markets has compelled firms and policymakers to reconsider the role of competitive marketing as a strategic mechanism for achieving and sustaining



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competitive advantage. Globalization, digitalization, and shifting consumer expectations have transformed traditional marketing paradigms, pushing firms toward more adaptive, innovation-driven, and market-oriented strategies. In this context, competitive marketing is no longer limited to tactical promotional activities but has evolved into a comprehensive strategic framework that integrates product quality, pricing, branding, distribution, and stakeholder relationships to secure a defensible market position (1, 2). For countries seeking to diversify their export portfolios and reduce dependency on traditional revenue sources, developing competitive marketing models for high-potential industries has become a strategic priority.

The cosmetic and hygienic products industry represents one of the fastest-growing sectors globally, driven by demographic changes, rising living standards, lifestyle transformations, and increased awareness of personal health and appearance. Demand for these products is particularly strong in emerging and developing markets, where modernization processes coexist with deeply rooted cultural norms, creating unique consumption patterns. Scholars emphasize that in such markets, competitive advantage is shaped not only by product attributes but also by cultural compatibility, trust, brand image, and the ability to respond flexibly to contextual and institutional conditions (3, 4). As a result, firms operating in this industry must adopt competitive marketing approaches that are sensitive to both market dynamics and socio-cultural environments.

Iranian cosmetic and hygienic products possess several intrinsic strengths, including access to domestic raw materials, cost advantages, and accumulated manufacturing expertise. However, transforming these strengths into sustainable competitive advantage in foreign markets requires systematic marketing strategies that align internal capabilities with external opportunities. Prior research highlights that marketing strategy innovation plays a decisive role in enhancing competitiveness and differentiation of local products in global markets, particularly when firms face resource constraints and intense competition from multinational brands (1, 5). This underscores the importance of identifying context-specific competitive marketing components rather than relying on generic models developed in different institutional and cultural settings.

The Iraqi market, as one of Iran's most important export destinations, offers both significant opportunities and complex challenges for Iranian cosmetic and hygienic products. Cultural proximity, geographical closeness, and long-standing trade relations create favorable conditions for market entry. At the same time, the Iraqi market is characterized by high competitive intensity, strong presence of foreign brands, regulatory uncertainties, and sensitivity to price and quality. Studies on competitive environments emphasize that firms' performance in such markets depends on their ability to develop adaptive marketing capabilities and align strategic orientations with environmental demands (6, 7). Consequently, understanding how competitive marketing can be structured to achieve advantage in this specific market context is of both theoretical and practical significance.

A growing body of literature has examined the relationship between marketing capabilities, strategic orientations, and competitive advantage across various industries. Digital marketing, entrepreneurial marketing, green marketing, and relational marketing have been identified as key drivers of competitive performance, especially for small and medium-sized enterprises operating under resource limitations (8-10). However, these studies often adopt quantitative approaches and focus on performance outcomes, offering limited insight into the underlying processes and contextual conditions through which competitive marketing strategies emerge and function in specific markets. This gap highlights the need for qualitative, theory-building research that can capture the complexity of competitive marketing phenomena in export-oriented industries.

From a theoretical perspective, the concept of competitive advantage has been explained through multiple lenses, most notably the resource-based view and industrial organization theory. Recent integrative approaches argue that sustainable competitive advantage emerges from the interaction between firm-specific resources, strategic actions, and market structures (5). In export markets, this interaction is further influenced by institutional frameworks, government policies, and international trade conditions. Research indicates that marketing capabilities, when combined with appropriate competitive strategies and effective marketing communications, significantly enhance export performance under conditions of uncertainty and risk (11, 12). These findings suggest that competitive marketing should be analyzed as a dynamic system shaped by multiple interrelated factors rather than as a set of isolated tactics.

The role of innovation in competitive marketing has also received increasing attention in recent years. Innovation in products, processes, and marketing practices enables firms to differentiate themselves, respond to changing consumer preferences, and create collaborative competitive advantage in global markets (13, 14). In the cosmetic and hygienic products industry, innovation is closely linked to packaging technology, branding, digital engagement, and perceived value, all of which influence consumer trust and loyalty. Moreover, ethical considerations and marketing ethics have been shown to moderate the relationship between competitor orientation and firm performance, particularly in highly competitive environments (15, 16). This dimension is especially relevant in culturally sensitive markets such as Iraq, where trust and ethical conduct play a crucial role in brand acceptance.

Despite the expanding literature on competitive marketing and competitive advantage, there remains a lack of comprehensive models that integrate causal conditions, contextual factors, intervening variables, strategic actions, and outcomes within a single explanatory framework tailored to specific export markets. Existing studies on digital marketing, inbound marketing, and social media marketing primarily focus on isolated dimensions of marketing activity, such as brand awareness or customer intention, without adequately addressing how these dimensions interact within broader competitive strategies (3, 17, 18). Similarly, while some research has explored intervening factors affecting digital marketing strategies in Iranian startups, these insights have not been extended to traditional manufacturing sectors with strong export orientation, such as cosmetics and hygienic products (19).

Another important gap in the literature relates to the macro-level implications of competitive marketing success. Studies suggest that achieving competitive advantage in non-oil export sectors can contribute to economic stability, foreign currency inflows, and reduced vulnerability to external shocks (20, 21). However, empirical research rarely connects firm-level marketing strategies to broader national outcomes such as brand image of the country, regional positioning, and long-term economic resilience. Addressing this gap is particularly relevant for economies seeking to strengthen non-oil exports and improve their standing in regional and global markets.

Given these considerations, a qualitative grounded theory approach offers a suitable methodological framework for developing an in-depth and contextually grounded understanding of competitive marketing in the Iranian cosmetic and hygienic products industry. Grounded theory enables researchers to move beyond predefined constructs and allow theoretical categories to emerge from empirical data, capturing the perspectives of both academic experts and industry practitioners. Prior qualitative studies in marketing have demonstrated the value of this approach in identifying intervening factors, strategic mechanisms, and outcome pathways that are not easily observable through quantitative methods (19, 22). Applying this approach to the Iraqi market context can yield a substantive theory that reflects the realities of competitive marketing under regional, institutional, and cultural constraints.

In summary, the growing importance of competitive marketing for export-oriented industries, the strategic significance of the Iraqi market for Iranian cosmetic and hygienic products, and the limitations of existing research collectively underscore the need for a comprehensive, empirically grounded model that explains how competitive advantage can be achieved and sustained in this context. Such a model can contribute to marketing theory by integrating multiple levels of analysis and can provide practical guidance for firms and policymakers seeking to enhance the competitiveness of Iranian products in regional markets. Accordingly, the aim of this study is to identify and conceptualize the components of a competitive marketing model for achieving competitive advantage of Iranian cosmetic and hygienic products in the Iraqi market.

## 1. Methods and Materials

This study adopted a qualitative research design based on the grounded theory approach, as the primary objective was to identify, conceptualize, and theorize the key components of a competitive marketing model that can generate sustainable competitive advantage for Iranian cosmetic and hygienic products in the Iraqi market. Grounded theory was selected because it enables theory development to emerge inductively from empirical data rather than testing pre-existing theoretical frameworks. The research population consisted of two distinct but complementary groups of experts: theoretical experts and experiential experts. The theoretical experts were university faculty members with specialized knowledge in marketing, branding, and strategic management, while the experiential experts were senior managers and practitioners actively involved in the cosmetic and hygienic industry, particularly those with experience in branding, export, and online or cross-border business activities related to the Iraqi market.

Sampling was conducted using a purposive and non-probabilistic strategy, consistent with qualitative research principles. The selection criteria for academic experts included a minimum of ten years of teaching experience in marketing or branding or a documented research record in the form of authored books or peer-reviewed articles in related fields. For industry experts, the inclusion criterion was at least five years of practical experience in managing, marketing, or exporting cosmetic and hygienic brands, with a particular emphasis on engagement in digital or cross-border business activities. Sampling continued until theoretical saturation was achieved, meaning that additional interviews no longer yielded new conceptual insights or categories relevant to the research questions. Based on this principle, fifteen qualified participants were ultimately included in the study, a sample size that aligns with methodological recommendations for in-depth qualitative interview studies.

The primary data collection tool in this research was the semi-structured interview. A semi-structured interview protocol was developed by the researcher to ensure both consistency across interviews and sufficient flexibility to explore emerging concepts in depth. The interview protocol served as a guiding document that included instructions for conducting the interviews, the core research questions, and designated space for recording analytical memos and key observations during and immediately after each interview. Although there is no universally standardized interview protocol for qualitative research, the protocol used in this study was designed based on established qualitative research guidelines and tailored specifically to the objectives of the study.

The interviews were structured around a set of foundational and open-ended questions derived directly from the central research problem. These questions addressed the identification of causal factors influencing competitive marketing for achieving competitive advantage of Iranian cosmetic and hygienic products in the Iraqi market, the contextual conditions shaping such marketing efforts, the intervening conditions that may facilitate or constrain

competitive marketing strategies, the strategic actions and interactions appropriate for competitive marketing in this market, and the practical outcomes and consequences of implementing competitive marketing strategies. While these core questions guided all interviews, probing questions were used as needed to clarify responses, explore implicit meanings, and deepen understanding based on the participants' experiences and perspectives. All interviews were conducted until sufficient depth and richness of data were obtained, and participants' responses formed the empirical foundation for the subsequent analytical phase.

To ensure the rigor of the qualitative data, trustworthiness criteria proposed by Guba and Lincoln were applied. These criteria include credibility, transferability, dependability, and confirmability. One of the key strategies employed to enhance credibility was member checking, whereby preliminary interpretations and analytical results were shared with selected participants to verify the accuracy of the researcher's understanding. Participants were given the opportunity to confirm, clarify, or correct interpretations, and any identified misunderstandings were revised accordingly. Additional strategies such as prolonged engagement with the data, detailed documentation of the research process, and reflective memo writing were also used to strengthen the overall trustworthiness of the findings.

Data analysis was carried out using the grounded theory methodology through a systematic and iterative process of coding and constant comparison. Analysis began simultaneously with data collection, allowing emerging insights from early interviews to inform subsequent data gathering. Interview transcripts were analyzed through open coding, during which meaningful units of text were examined line by line and labeled with conceptual codes that captured their substantive meaning. These initial codes represented participants' views on factors, conditions, strategies, and outcomes related to competitive marketing in the Iraqi market context.

Following open coding, axial coding was conducted to identify relationships among categories and subcategories. At this stage, codes were organized around a central phenomenon—competitive marketing for achieving competitive advantage—and linked to causal conditions, contextual conditions, intervening conditions, strategic actions, and consequences. This analytical structure enabled the researcher to move beyond descriptive categorization toward a more explanatory framework. In the final stage, selective coding was employed to integrate the core categories into a coherent and internally consistent theoretical model. Through this process, a substantive theory was developed that explains how competitive marketing components interact to create competitive advantage for Iranian cosmetic and hygienic products in the Iraqi market.

In line with the epistemological foundations of grounded theory, the analysis did not begin with predefined hypotheses or theoretical assumptions. Instead, theory emerged inductively from the data through continuous comparison, refinement of categories, and theoretical sensitivity. The resulting theory is a substantive, context-specific model that reflects the empirical realities of the studied domain rather than a grand or formal theory intended for universal generalization. This approach ensured that the final model is closely grounded in the lived experiences and expert knowledge of both academic and industry participants, providing a robust foundation for understanding and improving competitive marketing strategies in the target market.

## 2. Findings and Results

The findings of this study are derived from the systematic analysis of qualitative data obtained through semi-structured interviews and analyzed using the grounded theory approach. The analysis led to the identification of a

set of core concepts and main categories that explain the causal conditions shaping competitive marketing aimed at achieving competitive advantage for Iranian cosmetic and hygienic products in the Iraqi market.

**Table 1. Identified Concepts and Categories Related to Causal Conditions**

Main Category	Concept	Final Codes
Causal Conditions	Facilitating Factors and Strengths	Competitive quality of Iranian products
		Appropriate pricing and regional competitive advantage Domestic production of key raw materials such as sulfonic acid Attention to and growing orientation toward natural and organic products Cultural and geographical proximity to main target markets Increased production capacity and organized presence in new markets such as Russia Growth of new business models such as factory-less production
	Factors Strengthening Consumption of Cosmetic Products	Prevalence of cosmetic product usage as a lifestyle practice
		Modernization and post-modern transformation of society Individual independence emerging from traditionally closed family structures Increased need for beauty enhancement Desire to appear modern and contemporary Concealment of physical imperfections Tension between traditional upbringing and pursuit of social acceptance Recognition of the body as a personal and modifiable domain Promotion of obsessions related to beauty and ugliness Expansion of appearance-oriented culture Introversion and development of an intimate relationship with one's body
		Construction of personal identity within society
		Favorable trade diplomatic relations with other countries, including Iraq Export-oriented perspectives among policymakers Political and security stability in regional countries Absence of discriminatory customs tariffs compared to other countries
	Government Policymaking	Avoidance of periodic export bans Non-discriminatory allocation of export incentives Provision of banking facilities Transportation subsidies
		Government-led export incentives
	Government Support	Facilitation of export licensing procedures Continuity and consistency in export processes Flexibility of regulatory frameworks
		Government intervention to stabilize domestic product prices Institutional measures to address exporters' problems Creation of conditions for long-term export contracts
	Government Legal Support	

The first main category, facilitating factors and strengths, reflects the intrinsic and structural capabilities of Iranian cosmetic and hygienic products that enable competitive marketing in the Iraqi market. Participants emphasized that the competitive quality of Iranian products, combined with appropriate pricing, provides a significant regional advantage, particularly when compared to imported alternatives from non-neighboring countries. The domestic production of key raw materials reduces dependency on foreign suppliers and lowers production costs, thereby enhancing price competitiveness. Additionally, the growing consumer orientation toward natural and organic



products aligns well with the product characteristics of many Iranian brands. Cultural and geographical proximity to Iraq further facilitates market entry, reduces logistical complexity, and enhances consumer trust. The expansion of production capacity, organized entry into new markets, and the emergence of innovative business models such as factory-less production were also identified as strategic strengths that support scalable and flexible competitive marketing. The second main category, factors strengthening the consumption of cosmetic products, captures the socio-cultural dynamics that drive demand in the target market. According to participants, the widespread use of cosmetic products has evolved into a lifestyle practice shaped by processes of modernization and post-modernization. As individuals increasingly distance themselves from rigid traditional norms, personal autonomy and self-expression gain importance, leading to a heightened focus on beauty, appearance, and body management. Cosmetic products are used not only to enhance attractiveness but also to conceal perceived imperfections, achieve social acceptance, and negotiate tensions between traditional upbringing and contemporary societal expectations. The body is increasingly viewed as a personal, alterable domain, and appearance-oriented values have become deeply embedded in identity construction. These dynamics collectively intensify and stabilize demand for cosmetic and hygienic products in the Iraqi market. The third main category, government policymaking, highlights the macro-level political and institutional conditions that shape the competitive marketing environment. Participants underscored the importance of favorable trade diplomacy, particularly stable and constructive relations between Iran and Iraq, in facilitating export activities. Export-oriented perspectives among policymakers, along with political and security stability in the region, were identified as critical enablers of sustained market presence. The absence of discriminatory customs tariffs and the avoidance of abrupt or periodic export bans were emphasized as essential factors for maintaining exporter confidence and long-term strategic planning. These policy conditions create a predictable and supportive environment for competitive marketing initiatives. The fourth main category, government support, refers to operational and financial mechanisms that directly influence exporters' ability to compete effectively. The findings indicate that equitable distribution of export incentives, access to banking facilities, transportation subsidies, and targeted export promotion programs play a vital role in reducing costs and risks associated with foreign market entry. Such support mechanisms enhance firms' capacity to invest in marketing, branding, and distribution networks, thereby strengthening their competitive position in the Iraqi market. The fifth main category, government legal support, encompasses regulatory and legal frameworks that facilitate or constrain competitive marketing efforts. Participants highlighted the importance of streamlined export licensing procedures, regulatory flexibility, and continuity in export regulations. Government intervention to stabilize domestic prices was viewed as a mechanism to protect exporters from internal market volatility. Moreover, institutional responsiveness to exporters' challenges and the creation of legal conditions for long-term contractual agreements were identified as key elements that foster trust, reduce uncertainty, and enable strategic, long-term competitive marketing in the target market.

**Table 2. Identified Concepts and Categories Related to Contextual Conditions**

Main Category	Concept	Final Codes
Contextual Conditions	Attention to Product Quality and Price	Quality from the customer's perspective
		Pleasant fragrance
		Cleaning and disinfecting power
		Side effects and non-side effects
		Skin softening capability
		Pricing strategy
		Low price resulting from tariff rates

Product Technology	Appropriate pricing compared with competing products
	Appropriate technology for product packaging
	Suitable technology for export-oriented and standardized products
Encouragement of Agents and Sales Centers	Advanced technological changes
	Product innovation
	Multi-activity enabled by digital marketing
Visual Attractiveness and Product Information	Appropriate criteria for selecting agents
	Selection of sales representatives
	Creativity in packaging
	Variety in size and quantity
	Creativity and use of innovative designs
	Manufacturer specifications and address
	Product standard certificates
	Clear and essential product information
	International standard logos
	Information on production and expiration dates

The findings related to contextual conditions indicate that competitive marketing effectiveness is strongly shaped by how products are positioned and perceived within the market environment. Participants emphasized that customer-oriented quality attributes, such as pleasant fragrance, effective cleaning and disinfecting performance, minimal side effects, and skin softening properties, form the baseline expectations for cosmetic and hygienic products in the Iraqi market. Pricing strategy was identified as a parallel contextual determinant, where tariff-driven cost advantages and prices that are perceived as reasonable relative to competing brands significantly influence purchase decisions. In addition, product technology emerged as a critical contextual factor, particularly the use of appropriate packaging technologies, compliance with export standards, responsiveness to advanced technological changes, and continuous product innovation. The encouragement and strategic selection of sales agents and distribution centers, especially through multi-functional digital marketing activities, were highlighted as essential for market penetration and brand visibility. Finally, the visual attractiveness of products and the transparency of product information, including creative packaging, variety in size, standardized logos, certifications, and clear labeling of essential details, were found to play a decisive role in building consumer trust and enhancing the overall competitiveness of Iranian cosmetic and hygienic products in the Iraqi market.

**Table 3. Identified Concepts and Categories Related to Intervening Conditions**

Main Category	Concept	Final Codes
Intervening Conditions	Challenging Factors	Economic and policy-related issues such as price controls, exchange rate volatility, and inflation International trade restrictions and sanctions Logistical and transportation problems Administrative bureaucracy and sudden policy decisions
	Environmental Conditions for Export Actors	Supportive and enabling macro-environment for export activities Improvement of the business environment Reduction of existing inequalities within the industry Addressing market deficiencies to ensure easier access to required resources Reduction of risk and uncertainty in export activities Creation of a cooperative climate among exporting firms Privatization and development of cooperation with the private sector Combating administrative corruption and reducing excessive regulations Development of international cooperation networks



Establishment of Specialized and Supportive Institutions	Alignment of macro policies to support exporting companies  Support for quality improvement programs Strengthening export firms' capabilities in information technology Dissemination of news, regulations, and events to exporting companies Provision of technical support and management consulting services Enhancement of cooperation and communication among exporting firms Comprehensive support services in banking, financial consulting, accounting, and legal advisory Facilitation of export and import policies and procedures Familiarization of exporters with foreign trade procedures
Administrative Structure	Presence of specialized and expert personnel in governmental export-related offices Availability of internal information sources regarding target markets Conducting commercial activities through economic attachés in embassies Accountability and responsiveness of managers

The findings related to intervening conditions demonstrate that competitive marketing strategies are significantly shaped by both constraining and enabling forces operating between causal factors and strategic actions. Participants identified a set of challenging factors, including economic instability caused by inflation, exchange rate fluctuations, and price control policies, alongside international trade restrictions and sanctions, which collectively increase uncertainty and operational costs for exporters. Logistical constraints and administrative bureaucracy, particularly sudden and unpredictable policy decisions, were also reported as major barriers that can disrupt export planning and execution. At the same time, the presence of supportive environmental conditions was viewed as a critical moderating force that can mitigate these challenges. Improvements in the business environment, reduction of structural inequalities, enhanced access to resources, and the creation of cooperative networks among exporting firms were identified as key mechanisms for reducing risk and uncertainty. Furthermore, the establishment of specialized and supportive institutions plays an essential role in aligning macro-level policies, providing technical and advisory services, strengthening information technology capabilities, and facilitating export and import processes. Finally, an efficient administrative structure characterized by skilled personnel, reliable market intelligence sources, active economic diplomacy, and managerial accountability was found to be instrumental in enabling firms to navigate intervening constraints and sustain competitive marketing performance in the Iraqi market.

**Table 4. Identified Concepts and Categories Related to Intervening Conditions**

Main Category	Concept	Final Codes
Intervening Conditions	Challenging Factors	Economic and policy-related issues including administered pricing, exchange rate volatility, and inflation International trade restrictions and sanctions Logistical and transportation challenges Administrative bureaucracy and sudden, unpredictable decision-making
	Environmental Conditions for Export Actors	Supportive and enabling macro-environment for export activities  Improvement of the overall business climate Reduction of existing inequalities within the industry Addressing market deficiencies to facilitate access to required resources Reduction of risk and uncertainty in export operations

Establishment of Specialized and Supportive Institutions	Creation of a cooperative environment among exporting firms
	Privatization and expansion of cooperation with the private sector
Administrative Structure	Combating administrative corruption and reducing excessive regulations
	Development of international cooperation networks
	Alignment of macro-level policies in support of exporting companies
	Assistance with quality improvement programs
	Strengthening exporters' capabilities in information technology
	Dissemination of news, regulations, and events relevant to exporting firms
	Provision of technical support and management consulting services
	Enhancement of cooperation and communication among exporting companies
	Comprehensive support services in banking, financial consulting, accounting, and legal advisory
	Facilitation of export and import policies and procedures
	Familiarization of exporters with foreign trade procedures
	Presence of specialized and expert personnel in governmental export-related departments
	Availability of internal sources for collecting information about target markets
	Conduct of commercial activities through economic attachés in embassies
	Managerial accountability and responsiveness

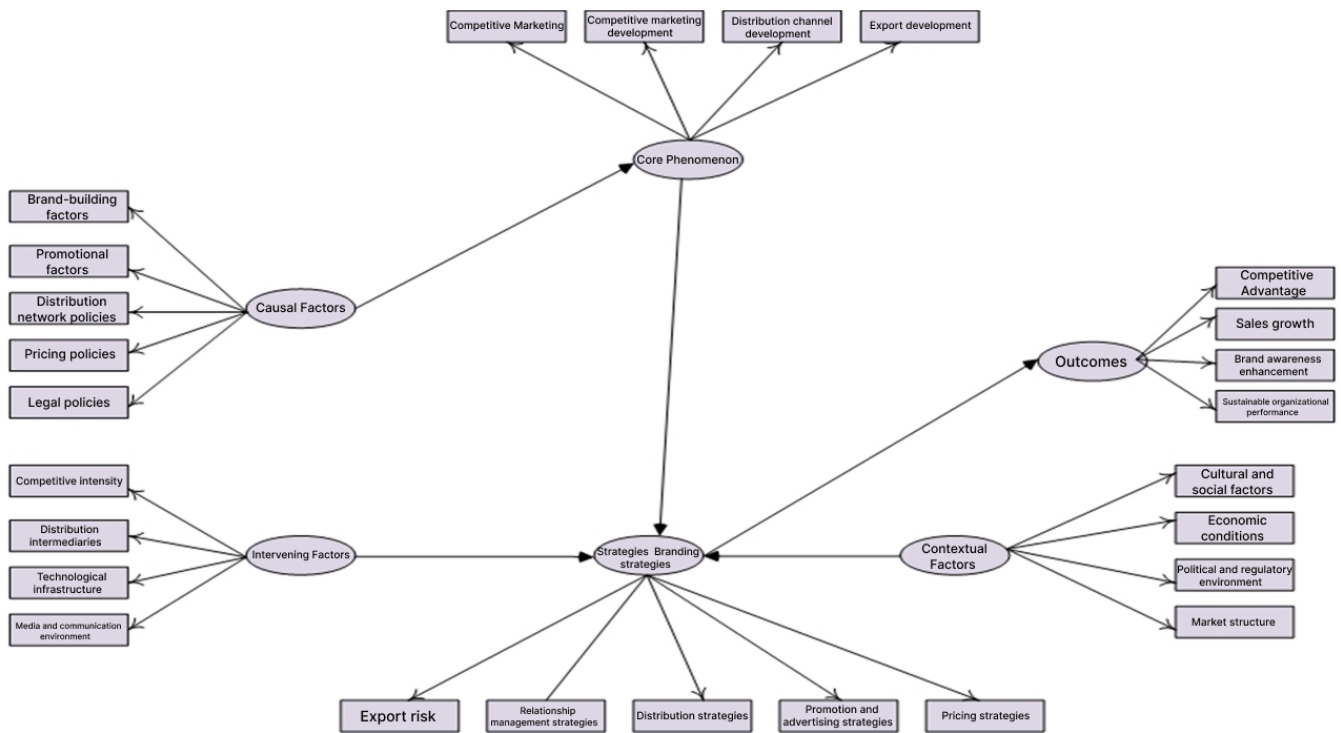
The results summarized in Table 4 indicate that intervening conditions play a decisive mediating role between causal and contextual factors and the effectiveness of competitive marketing strategies. On the one hand, challenging factors such as macroeconomic instability, policy-driven price controls, exchange rate fluctuations, international sanctions, logistical constraints, and administrative bureaucracy intensify uncertainty and increase transaction costs for exporters of cosmetic and hygienic products. These factors can weaken strategic consistency and reduce firms' ability to respond swiftly to market changes. On the other hand, the presence of supportive environmental conditions significantly moderates these constraints by improving the business climate, reducing structural inequalities, facilitating access to resources, and fostering cooperation among exporting firms. The establishment of specialized and supportive institutions further strengthens this moderating role by aligning macro policies, enhancing technological and managerial capabilities, providing timely information, and simplifying export and import procedures. Finally, an efficient administrative structure characterized by expert personnel, reliable market intelligence, active economic diplomacy, and accountable management was identified as a critical enabler that allows firms to navigate intervening pressures and sustain competitive marketing performance in the Iraqi market.

**Table 5. Identified Concepts and Categories Related to Outcomes**

Main Category	Concept	Final Codes
Outcomes	Achieving Competitive Advantage	Price retention and increased profitability Cost reduction and increased market share Enhancement of the position of Iranian cosmetic and hygienic products compared with exports from other foreign countries Increased return on investment and assets Building trust and increasing customer satisfaction
	Creating Conditions for Economic Stability	Reasonable inflation  Increased inflow of foreign currency into the country Absence of currency and market volatility

Enhancing the Brand of Iranian Cosmetic and Hygienic Products	Circumvention of banking and economic sanctions Economic growth and prosperity Attraction of foreign investors and multinational companies through production in Iran Dominance in neighboring countries' markets Reduced dependence on oil and gas exports Alignment with the global community Consolidation of the country's regional position Creation and improvement of the country's brand image worldwide Creation of a distinct brand identity for cosmetic and hygienic products Improved relations with international institutions and major global companies
Organizational-Level Outcomes	Increased profitability and organizational sustainability Creation of reputation and a positive organizational image Improvement of brand equity Increased employee motivation

The findings presented in Table 5 indicate that the implementation of a competitive marketing model for Iranian cosmetic and hygienic products in the Iraqi market leads to multi-level outcomes at the market, national, and organizational levels. At the market level, achieving competitive advantage is reflected in sustained pricing power, increased profitability, cost efficiency, and expansion of market share, alongside improved return on investment and enhanced customer trust and satisfaction. At the macroeconomic level, these outcomes contribute to creating conditions for greater economic stability through increased foreign currency inflows, reduced market volatility, mitigation of the effects of banking and economic sanctions, and overall economic growth. In addition, the strengthening of the brand of Iranian cosmetic and hygienic products generates strategic national benefits, including attraction of foreign investment, greater dominance in regional markets, reduced reliance on oil and gas exports, and improved alignment with global economic structures, ultimately enhancing the country's brand image and regional standing. Finally, at the organizational level, competitive marketing outcomes translate into higher profitability, long-term sustainability, stronger brand equity, enhanced organizational reputation, and increased employee motivation, reinforcing firms' internal capabilities to sustain competitive advantage over time.



**Figure 1. Final Model of the Study**

### 3. Discussion and Conclusion

The purpose of this study was to develop a grounded theory model of competitive marketing aimed at achieving competitive advantage for Iranian cosmetic and hygienic products in the Iraqi market. The findings revealed a multi-layered structure consisting of causal conditions, contextual conditions, intervening conditions, strategic actions, and outcomes, which together explain how competitive advantage is constructed and sustained in a highly competitive and institutionally complex export market. The discussion interprets these findings by situating them within the existing body of marketing and competitive advantage literature and by explaining how they extend, confirm, or contextualize prior empirical and theoretical insights.

The findings related to causal conditions highlight the central role of intrinsic product strengths, consumer-driven demand dynamics, and government-level orientations in shaping competitive marketing. The identification of competitive product quality, cost advantages derived from domestic raw materials, and cultural and geographical proximity as key facilitators aligns with studies emphasizing the importance of resource-based advantages in building competitiveness in export markets (1, 5). These results support the argument that firm-level resources and capabilities, when aligned with market needs, form the foundation of sustainable competitive advantage. In particular, the emphasis on affordable pricing and acceptable quality resonates with findings that local and regional markets often prioritize value-for-money propositions over purely symbolic brand attributes (2, 9).

The strong influence of socio-cultural drivers on cosmetic product consumption identified in this study further deepens existing insights. The transformation of cosmetic use into a lifestyle practice, driven by modernization, identity construction, and appearance-oriented values, confirms prior research that positions consumer culture as a key determinant of market competitiveness in personal care industries (3, 4). The findings suggest that competitive marketing in the Iraqi market cannot rely solely on functional product attributes but must also engage with symbolic meanings, social acceptance, and identity signaling. This interpretation aligns with relational and value-based

marketing perspectives, which emphasize emotional and identity-related dimensions of consumption in competitive environments (10, 23).

Government policymaking and support emerged as critical causal enablers, underscoring the embeddedness of competitive marketing within broader institutional and political frameworks. The importance of export-oriented policymaking, stable diplomatic relations, and non-discriminatory customs regimes supports earlier findings that export performance and competitive advantage are strongly conditioned by institutional support structures (11, 12). These results reinforce the view that competitive marketing in emerging and developing economies is not merely a firm-level activity but a systemic process influenced by state actions and macroeconomic stability.

The analysis of contextual conditions revealed that customer-centered perceptions of quality, pricing strategies, technological capabilities, distribution structures, and product presentation collectively shape the effectiveness of competitive marketing strategies. The emphasis on quality attributes such as fragrance, safety, and functional performance aligns with research demonstrating that perceived value and customer satisfaction mediate the relationship between marketing activities and competitive outcomes (4, 18). Moreover, the role of pricing strategies, particularly relative price advantages driven by tariff structures, echoes findings that price competitiveness remains a decisive factor in markets characterized by high price sensitivity and intense brand competition (2, 8).

Technological readiness and innovation, especially in packaging and product standardization, were also identified as salient contextual conditions. These findings are consistent with studies highlighting the role of innovation mechanisms and technological adaptation in creating collaborative and sustainable competitive advantage in global and digital marketing contexts (13, 14). Although the cosmetic and hygienic products industry is often considered mature, the results indicate that continuous innovation in presentation, compliance with standards, and digital integration remains essential for maintaining competitiveness. This insight extends prior work on digital inbound and outbound marketing by embedding technology within a broader competitive marketing system rather than treating it as an isolated tool (17, 19).

The intervening conditions identified in this study provide a nuanced understanding of how competitive marketing strategies are either constrained or facilitated in practice. Economic instability, exchange rate volatility, inflation, sanctions, and bureaucratic barriers were found to significantly disrupt strategic consistency and increase uncertainty for exporters. These findings corroborate earlier research emphasizing that macroeconomic turbulence and regulatory unpredictability weaken firms' ability to leverage marketing capabilities effectively (11, 19). At the same time, the presence of supportive environmental conditions, such as improvements in the business climate, reduction of structural inequalities, and development of cooperation networks, was shown to mitigate these challenges.

The role of specialized institutions and administrative structures in moderating intervening conditions is particularly noteworthy. The findings suggest that institutional coordination, access to information, managerial consulting, and trade facilitation mechanisms can significantly enhance firms' capacity to navigate complex export environments. This aligns with studies that emphasize the importance of marketing infrastructure, institutional learning, and organizational support systems in strengthening competitive advantage under uncertainty (7, 20). Furthermore, the emphasis on ethical conduct, transparency, and accountability resonates with research demonstrating that marketing ethics and governance mechanisms moderate competitive performance in highly competitive and culturally sensitive markets (15, 16).

The outcomes identified in this study demonstrate that competitive marketing generates value at multiple levels. At the firm level, increased profitability, brand equity, organizational sustainability, and employee motivation reflect the internal benefits of effective competitive marketing. These results are consistent with prior findings linking marketing competencies and innovation to sustainable competitive advantage and organizational performance (4, 9). At the market and national levels, outcomes such as increased market share, enhanced trust, foreign currency inflows, and reduced dependency on oil and gas exports highlight the broader economic implications of competitive marketing success. This multi-level perspective extends existing research by explicitly connecting firm-level marketing strategies to macroeconomic stability and national branding outcomes (1, 20).

The identification of brand enhancement as a strategic outcome underscores the role of competitive marketing in shaping not only product brands but also the country-of-origin image. The findings suggest that successful competitive marketing of cosmetic and hygienic products can contribute to improving Iran's brand image in regional and global markets, attracting foreign investment, and strengthening regional positioning. This interpretation aligns with studies emphasizing the strategic role of branding, innovation, and global alignment in enhancing competitiveness in international markets (13, 14). By integrating these outcomes into a grounded theory model, the study offers a comprehensive explanation of how competitive marketing operates as a systemic driver of competitive advantage.

Overall, the results support and extend existing theories of competitive advantage by demonstrating that in export-oriented industries, competitive marketing emerges from the dynamic interaction of resources, institutional conditions, strategic actions, and socio-cultural contexts. The grounded theory model developed in this study provides a context-sensitive framework that complements quantitative models by capturing the complexity and processual nature of competitive marketing in the Iraqi market. In doing so, it responds to calls for more qualitative, theory-building research in marketing and international business, particularly in emerging market contexts (5, 22).

Despite its contributions, this study has several limitations that should be acknowledged. First, the qualitative and grounded theory design, while suitable for theory development, limits the generalizability of the findings to other industries or export markets. Second, the data were collected from a relatively small group of experts, which may not fully capture the diversity of perspectives within the broader cosmetic and hygienic products industry. Third, the study focused primarily on the supply-side and expert viewpoints, and did not directly incorporate consumer perspectives from the Iraqi market, which could provide additional depth to the analysis.

Future research could build on the findings of this study by quantitatively testing the proposed grounded theory model across larger samples and different export markets to assess its generalizability and predictive power. Comparative studies between different product categories or destination markets could further refine the model and identify context-specific versus universal components of competitive marketing. Additionally, incorporating consumer-based research designs, such as surveys or experimental studies in the Iraqi market, could enrich understanding of how competitive marketing strategies are perceived and evaluated by end users.

From a practical perspective, the findings suggest that managers of Iranian cosmetic and hygienic firms should adopt a holistic approach to competitive marketing that integrates product quality, pricing, branding, distribution, and institutional engagement. Firms should invest in continuous innovation, culturally sensitive branding, and digital marketing capabilities while actively engaging with supportive institutions and export facilitation mechanisms. Policymakers can use the results to design more coherent export support policies, reduce regulatory uncertainty, and strengthen institutional infrastructures that enable firms to compete effectively in regional markets.



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## Authors' Contributions

All authors equally contributed to this study.

## Declaration of Interest

The authors of this article declared no conflict of interest.

## Ethical Considerations

All ethical principles were adhered in conducting and writing this article.

## Transparency of Data

In accordance with the principles of transparency and open research, we declare that all data and materials used in this study are available upon request.

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