

**ROLE OF INNOVATION, NEED FOR COGNITION AND
MARKETING CAPABILITIES ON MARKETING
PERFORMANCE OF SMEs IN BATTICALOA DIVISION**



BY

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ABSTRACT

In today's economic world, no business can afford to be uncompetitive. This situation requires innovation to survive and grow. The small and medium enterprises also face competition in the dynamic business event. Hence, marketing performance is very important for every small and medium enterprise to face competition. Thus, this study investigates the relationship between need for cognition, marketing performance and the mediating effect of the role of innovation and marketing capabilities in small and medium enterprises in Batticaloa division. Innovation and marketing capabilities functioned as a mediator between the two variables and the dependent variable is marketing performance. This study eliminates the empirical knowledge gap in the Batticaloa division area regarding this topic.

Using a structured questionnaire, the data were collected from 218 owners of selected small and medium enterprises in Batticaloa division. And the collected data were analyzed by using descriptive statistics, correlation, regression analyses.

In this study, the statistical tools that used to analyze the levels of variables are mean and standard deviation values, while relationships were measured by Pearson coefficients and linear regressions for further mediation analyses. The findings reveal that the need for cognition, innovation and marketing capabilities are in high level among the respondents. And marketing performance also high level among the respondents. The analyses stated that the positive relationship between the need for cognition and marketing performance, the strong positive relationship between the need for cognition, innovation and marketing capabilities and the positive relationship between marketing performance, innovation and marketing capabilities. innovation and marketing capabilities have been found to cast a partial mediating effect on the relationship between need for cognition and marketing performance.

Keywords: *Need for Cognition, The role of Innovation, Marketing capabilities, Marketing performance.*

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