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RESEARCH ARTICLE

Sustaining family bakeries in Pakistan: The role of internal marketing and entrepreneurship

Usman Ali Warraich¹, Maria José Palma Lampreia Dos-Santos^{1,2}

¹Escola Superior de Comunicação Social, Instituto Politécnico de Lisboa, Lisboa, Estr. de Benfica 529, 1549-020 Lisboa,, Portugal

²ISCTE- University Institute of Lisbon- DINÂMIA'CET - Centre for Socioeconomic and Territorial Studies, Avenida das Forças Armadas, 1649-026 Lisboa, Portugal

Corresponding author: Dos-Santos, M.J.P.L.. email: msantos@escs.ipl.pt or mjpls@iscte-iul.pt

Abstract – Nowadays, climatic change challenges, consumer expectations, and concerns toward sustainability lead firms to consider responsible strategies for internal marketing and entrepreneurial orientation that contribute to competitive advantage and economic and environmental performance. This paper analyses the direct impact of internal marketing and entrepreneurial orientation on innovation and sustainability within the context of family businesses in the manufacturing sector in bakeries in Sindh Province in Pakistan. Information and data were obtained from 404 questionnaires applied in these firms during 2023. The methods include Partial Least Squares Structural Equation Modelling to evaluate the measurement, structural models, and respective variables. Results confirm a significant direct influence of internal marketing on entrepreneurial orientation and innovation towards the sustainability of bakeries firms and emphasise the mediating role of entrepreneurial orientation toward sustainability. Despite that, the firms haven't improved significantly sustainable production practices during the last three years.

On the other hand, the unit cost of bakery production hasn't decreased during this period due to the reduction of energy or water use. Other results also confirm a significant concern with the customer's needs, but without putting in practice more quality in the production process or reducing the relative production costs (at constant prices). However, bakeries firms must directly address sustainability in all production and customer sales processes, namely reducing energy inputs and meeting consumers' needs concerning sustainable needs and goals. This study's significance lies in its contribution to the existing body of literature by illuminating the intricate pathway of relationships between internal marketing, entrepreneurial orientation toward sustainability, and innovation and sustainability. A future direction involves extending this model's applicability by examining its validity in other industries and service sectors, enriching the breadth of understanding beyond manufacturing industries.

Keywords – Bakery firms; internal marketing; entrepreneurial orientation; innovation; sustainability.

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1. INTRODUCTION

In Pakistan, the percentage of new business setups is significantly low, with most businesses passed down through generations within families in the bakery firm sector, contributing to the social sustainability of the industry. Even among those starting new businesses, a significant portion comes from families already engaged in business activities. Within a competitive landscape, a comprehensive grasp of the dynamics inherent in integrated innovation management toward sustainability is crucial for numerous professionals,

regardless of their industry or organisational affiliation. Various firms have documented their innovations in literature (Aldieri & Vinci, 2019; Laforet, 2013 and Muñoz-Bullón et al., 2020), established modifications in the attitude of innovation towards sustainability concerning family firms and nonfamily firms in the context of social capital, marketing, and the human capital role.

The individuality and efficacy of family-owned enterprises manifest through their organisational culture and operational dynamics, which affect variances in procedures, actions, and

decisions as related to nonfamily companies. Therefore, it is vital to recognise the issues impacting innovation in businesses run by families (Zahra et al., 2004). In the global economy, family businesses have taken an important share. Still, connections between business innovation and sustainability and family firms have not been effectively, theoretically and empirically studied (Zahra et al., 2004; Zapata-Cantu et al., 2022) and the literature on this precise theme are limited. This could be one of the reasons for the low number of existing studies. There is the possibility of detecting diverse and inconsistent statements that discuss family businesses' innovative capacity. Family businesses have an unconventional alternate typology of organisations across all industry sectors, strategies, and structures (Craig & Moores, 2006; Quintana & Quintana-León, 2021). This research will examine issues that are affecting innovation toward sustainable practices and processes in businesses owned by families; it will also include entrepreneurial orientation and internal marketing. Technological developments and globalisation comprehended in recent years have highlighted novelty as an essential fragment of firms that target to increase revenue (Chen & Lin, 2013; Fraiberg, 2021). Internal marketing can bring accomplishments and success to business; further, it expands innovation and increases customer satisfaction (Imani et al., 2020).

Expanding internal marketing procedures within family-run enterprises fosters innovation and entrepreneurial orientation. This involves focusing on novel, uncharted customer sustainable needs and adopting an entrepreneurial mindset aimed at market dominance and sustainability. Consequently, entrepreneurial orientation emerges as a strategy emphasising innovation towards sustainability in product/service markets and ventures into uncharted territories for family businesses. (Maatoofi & Tajeddini, 2011). Therefore, this present study will specifically examine the aspects of entrepreneurial orientation and internal marketing, elucidating their roles in fostering innovation and achieving sustainability within family-run businesses. This present study streamlines and contributes to the literature by assimilating the notions of sustainable innovation, entrepreneurial orientation, and internal marketing in an exclusive context of business, explicitly, namely, family businesses. Though extra consideration has been given to entrepreneurial orientation and entrepreneurship (Dubina et al., 2017; Iddrisu et al., 2012; Kiani Mavi, 2014; Sindakis & Kitsios, 2016; and innovation (Apanasovich, 2016; Bhattacharya, 2011; Carayannis et al., 2014; Cecere & Ozman, 2014; Drivas et al., 2014; Ferreira et al., 2017; Holtskog, 2017; Khatib et al., 2013; Marques et al., 2016; Panagopoulos, 2011; Srholec, 2014). Within the literature, scant empirical research has underscored the significance of internal marketing in facilitating the advancement and development of entrepreneurial orientation and innovation towards sustainability within family businesses.

Despite a considerable amount of literature focusing on marketing sectoral analysis, none are related to the agrifood industries in Pakistan, Sindh province, or the bakery sector. This paper tries to fill this gap in the literature. On the other hand, the current and previous worldwide macroeconomic

situation characterised by the high inflation rate of food and food inputs in industries across the world (World Bank database, 2024) can compromise food security mainly in countries with low and medium-income countries, as Pakistan or the region of Karachi constituted by nine million of inhabitants (World Bank, 2024).

The main aims of the paper include:

- 1) To analyse the impact of internal marketing on the innovation process towards sustainability in bakeries firms in Sindh Province in Pakistan.
- 2) To analyse the impact of entrepreneurial orientation and innovation toward sustainability in these firms.

2. MATERIALS AND METHODS

2.1. Literature Review

As a developing country, Pakistan is primarily characterised by an agrarian economy, with approximately 62% of its population directly or indirectly dependent on agriculture (Ahmed et al., 2012; World Bank, 2024). The agricultural sector grapples with multifaceted challenges rooted in widespread illiteracy and constrained financial resources, impeding the adoption of advanced agricultural and agro-food technologies (Gummagolmath & Anand, 2023).

Karachi is an urban city centre with over 9 million inhabitants. It not only serves as Pakistan's economic and financial capital but also stands as the capital of Sindh province, the object of study in this paper. As the country's largest city, it houses major financial institutions, stock exchanges, and corporate headquarters, which justifies its economic significance (Akbar et al., 2023). Situated along the Arabian Sea, Karachi's strategic coastal position historically facilitated trade and commerce (Rahman et al., 2023). Despite Karachi's challenges associated with rapid urbanisation, its dynamic economic landscape and cultural vibrancy make it a pivotal hub in both the Sindh province and Pakistan as a whole. Moreover, Pakistan is emerging as a noteworthy market for processed ready-food products within the agro-products sector (Gummagolmath & Anand, 2023).

Bakeries in the Sindh region play a pivotal role in providing food security to the population, assuming a central position in daily dietary habits owing to urbanisation and evolving consumption patterns (Mishra et al., 2020). Despite its significance, the bakery sector confronts challenges concerning food quality, safety, regulatory compliance, and lack of innovation due to financial reasons since they are family businesses whose succession occurs within the family firms. Mitigating these challenges necessitates stringent enforcement of quality standards, professional training and business focus based on innovation toward more sustainable practices and initiatives, and enhancements in hygiene and marketing practices, all of which represent critical areas requiring focused attention (Ahmed et al., 2012). Investments, innovation and marketing in the sector, complemented by effective supervision from regulatory authorities, are imperative to ensure the continued pivotal role of bakeries in providing safe and healthy food to the

population (Ahmed et al., 2012; Gummagolmath & Anand, 2023).

At the same time, the increasing concerns about the effects of climate change and the considerable consumer expectations regarding the environmental performance of businesses have led companies to adopt a greater sense of accountability for sustainability and the environment (Miguel and Miranda, 2023). Nowadays, businesses are rapidly unpredictable and highly competitive, requiring organisations to be more proactive, creative, transformative, and resilient to face competition and stay parallel with the metamorphosis of the business landscape (Santarsiero et al., 2020; Schiuma, 2012). In such a scenario, the success and sustainability of the businesses depend on innovation, which encourages and promotes sustainability and adaptability, fosters companies to grow in a sustainable way, and positions the firms ahead of their competitors (Boyles, 2022). There has been an increasing scholarly focus on technological innovation within organisations because they have started utilising various technologies to boost their capacity for innovation and its outcomes (Akter et al., 2021; Wamba-Taguimdje et al., 2020). According to De Guimarães et al. (2018); Dos-Santos and Diz (2019), and Santos et al. (2012), it is essential to identify the strategic guides that came before sustainable production, leading enterprises to achieve a sustainable competitive advantage before their competitors.

Against this backdrop, this paper analyses the impact of internal marketing on the innovation process toward sustainability in bakeries situated in the Sindh Province, which is fully justified. The present paper analyses the relationship between entrepreneurial orientation, innovation, and sustainability within this agro-industry sector in the Sindh region in order to promote the long-term economic, social and environmental sustainability of the bakeries sector in this country and region (Younus, 2023).

2.2. Theoretical model and hypothesis

2.2.1. Internal marketing and entrepreneurial orientation

Internal marketing encompasses marketing ventures for employees in organisations. Regarding marketing theories, employee satisfaction is of prime importance to internal marketing, and it regards their roles as internal products of the organisation. Internal marketing acknowledges the importance of employees' value, empowering them, which leads to entrepreneurship and innovation in the organisation (De Bruin et al., 2021). As employees become more motivated and engaged in their roles, the organisation is more likely to attain transformation and strategic renewal, which is significant for entrepreneurial orientation. Hence, it can be proposed that internal marketing leads to entrepreneurial orientation (Subramony et al., 2018). Yadav & Bansal (2021) recognised that numerous studies have examined entrepreneurial orientation in developing countries, making it equally important in both developing and developed countries. It is proposed that in order to enhance entrepreneurial orientation within the organisation,

internal marketing is necessary. For instance, (Jalilvand et al., 2019) proposed that entrepreneurial orientation and internal marketing are two driving factors for innovation in family firms. In family firms, internal marketing is the critical factor of entrepreneurial orientation (Jalilvand et al., 2019). Hence, it can be suggested that Internal Marketing is positively associated with entrepreneurial orientation.

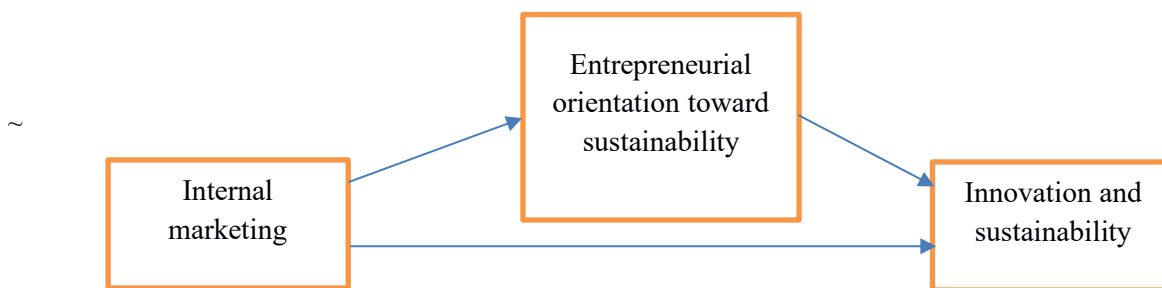
2.2.2. Relationship between entrepreneurial orientation and innovation toward sustainability

The impact of entrepreneurial orientation (EO) on innovation and sustainability is quite deep and profound. EO plays a significant role in encouraging innovation within the organisation and serves as a driving force in building up innovative organisations towards sustainability. According to Arunachalam et al. (2014) and Oktavio et al. (2019), several studies conclude that entrepreneurially oriented organisations showcase elevated levels of innovation toward sustainability. For example, (Yu et al., 2016) have explained the positive impacts on innovation by the high-tech entrepreneurially oriented organisations. Isichei et al. (2020) have explained entrepreneurial orientation's positive and significant impact on firms' innovativeness. Moreover, Setini et al. (2021), examining the relationship of entrepreneurial orientation with innovation toward sustainability, also found a positive link between the two. Hanifah et al. (2022) also found a significant relationship between entrepreneurial orientation and innovation toward sustainable practices.

2.2.3. Relationship between internal marketing and innovation and sustainability

As innovation advances, organisations must be well-versed and well-prepared in today's ever-changing, dynamic, sustainable environments (Zhang et al., 2021). According to Kanyurhi & Akonkwa, (2016) when employees are treated as internal customers, it is termed "internal marketing". The primary aim of internal marketing is to have motivated employees. Internal marketing practice is based on the fact that motivated employees show more compliance towards organisational decisions and policies toward sustainable employment. According to Jalilvand et al., (2019) engaged and motivated employees lead to advancement in innovation toward sustainable practices and organisational changes. According to the literature, namely, Narteh & Odoom (2015), it is believed that relationships (as internal marketing tend to strengthen them and may serve a primary role in generating and reinforcing innovation in the organisation toward a sustainable way. Internal marketing has been suggested in various capacities, serving as a structured approach for strategy implementation, facilitating the dissemination of sustainable innovations, attracting and retaining service-oriented personnel, cultivating a service-centric culture, and enhancing internal service productivity and sustainability (Kajalo & Lindblom, 2015).

Based on the previous literature review, the present Hypothesized Model includes:



The Hypothesis include:

- H1: Internal marketing has a significant positive impact on entrepreneurial orientation.
- H2: Internal marketing has a significant positive impact on innovation and sustainability.
- H3: Entrepreneurial orientation has a significant positive impact on innovation and sustainability.
- H4: Entrepreneurial orientation mediates the relationship between internal marketing and innovation and sustainability.

2.3. Information and data

The study targeted individuals actively managing family businesses inherited by conducting research within the manufacturing sector, specifically focusing on bakeries with less than 100 employees. This research encompassed bakeries directly procuring flour from mills, distinguishing them from those obtaining flour from the market. In Karachi, smaller-scale bakeries typically purchase limited quantities from local markets, while larger enterprises directly transact with mills.

A list of bakery owners engaged in direct flour procurement from mills was obtained to assemble the sample, ensuring their ongoing involvement in their familial enterprises, formerly overseen by their fathers or elder siblings. These owners were approached and informed about the research objectives, and voluntary data contribution was sought with their consent.

Information and data were collected by a direct questionnaire from an initial sample of 404 individuals. The questionnaire was applied from January 2023 to May 2023 in the Sindh province of Pakistan, mainly in the Karachi residential area. Respondents were provided with the flexibility to complete the questionnaire in either English or the local language (Urdu). Both versions of the questionnaire, in English and the local language, have been included in Appendix 1. This approach accommodated

participants’ linguistic preferences and ensured their comfort and comprehension while responding to the survey. The sample was selected based on convenience and targeted the more populated region of Pakistan, the province of Sindh, which comprises more than 9 million people. The number of returned questionnaires was about 325 after excluding the outliers. That means the rate of return of answers is about 81%. The questionnaire was directly applied by students with HE degrees in management and marketing, with the direct supervision of the first author.

The questionnaire is composed by:

1. Socio-economic and demographic variables:
 - i*) age with a scale of four items to analyse the main phase of the business (initial investment (heritage), consolidation and decrepitude),
 - ii*) gender with a dual answer and
 - iii*) Number of years of management experience in the bakery (continuous variable).
2. A Likert scale of questions related to internal marketing (IO) (from IM 1 to IM 8, which means eight questions referred to this subject;
3. A Likert scale of questions related to entrepreneurial orientation (EI) toward sustainability (from EO1 to EO6)
4. A Likert scale of questions related to entrepreneurial orientation (EI) toward sustainability (from EO1 to EO6)

Table 1. Variables related to internal marketing.

Internal Marketing	IM	Likert scale
	IM1	Our internal communication is the key to creating understanding among our employees.
	IM2	Our internal communication is the key to building ownership among our employees and promoting sustainable jobs.
	IM3	Our internal communication is the key to providing ownership among our employees.
	IM4	Our internal communications are consistent with our advertising to meet external customers’ needs and promote sustainable consumption.

	IM5	Our internal communication is consistent with our external public relations.
	IM6	Our internal communications are consistent with all forms of our external communications.
	IM7	Employees at all levels understand the direction and key priorities of my organisation in promoting sustainable practices.
	IM8	There is an internal communication program for all employees in my organisation to promote sustainability.

Table 2. Variables related to entrepreneurial orientation toward sustainability.

Entrepreneurial orientation toward sustainability	EO	Likert scale
	EO1	Relative to our competitors, our company has a higher propensity to take risks towards sustainable production practices.
	EO2	Relative to our competitors, our company has a higher tendency to engage in strategic planning activities that promote sustainable practices.
	EO3	Relative to our competitors, our company has a higher ability to identify customers' needs and wants to promote sustainable consumption.
	EO4	Relative to our competitors, our company has a higher level of innovation and sustainable production practices.
	EO5	Relative to our competitors, our company has a higher ability to persevere in making our vision of the business a reality.
	EO6	Relative to prior competitors, our company has a higher ability to persevere in making our vision of the business a reality and sustainable values.

Table 3. Variables related to Innovation and sustainability

Innovation and sustainability	IN	Likert scale
	IN1	During the last three years, the comparative advantages of our company have significantly improved toward sustainable production practices.
	IN2	During the last three years, our company's profitability has improved, as well as the environmentally sustainable indicators.
	IN3	During the last three years, our company unit cost of production or services has decreased by the reduction of use of energy.
	IN4	During the last three years, the turnover of our organisation has improved significantly, reducing emissions.
	IN5	During the last three years, employee productivity has improved significantly, promoting SDGs.

2.4. Model

The paper adopted the Partial Least Squares Structural Equation Modelling (PLS-SEM) model as the primary methodology for conducting rigorous reliability and validity assessments. Both Cronbach's Alpha and Composite Reliability were utilised across all constructs to evaluate reliability. Indeed, the univariate analysis was used to analyse the socio-economic characteristics of the respondents.

2.4.1. Variables

Three variables were identified: Internal marketing toward sustainability, entrepreneurial orientation toward sustainability, and innovation and sustainability. The complete description of the variables is presented in Appendix 1. The internal marketing variable was operationalised using a scale comprising eight items sourced from Ahmed et al. (2003) but adjusted (Appendix 1). Concurrently, the entrepreneurial encompassed a 6-item

scale sourced from Tajeddini, (2010) but adjusted. The variable of innovation and sustainability, obtained from Dos-Santos and Diz, (2019) and Santos et al., (2012), incorporated five items to capture its dimensions within the research context. Each variable was assessed utilising a Likert scale, ensuring a standardised approach to measure their respective constructs.

2.4.2. Data analysis

An independent samples t-test was executed to ascertain the potential presence of non-response bias. Subsequently, Levene's test of homogeneity of variance was employed to assess all constructs. The obtained significance values, surpassing the threshold of 0.05, indicated compliance with the prerequisite conditions, thereby suggesting the absence of non-response bias within the study (Pallant, 2020). An essential aspect of scrutinising the model's comprehensive relationship involves examining potential measurement errors and the presence of Common Method Variance (CMV). To address this concern, a collinearity test was

performed. The assessment criterion relied on estimating Variance Inflation Factors (VIFs), with an optimal expectation of values below 3.3 (Kock, 2015). The outcomes of this analysis affirm the absence of CMV within the model.

2.4.3. Validity and reliability test

Both Cronbach’s Alpha and Composite Reliability were utilised across all constructs to evaluate reliability. The obtained values surpassed the 0.7 threshold, satisfying the stipulated reliability criteria (Chin & others, 1998).

Table 4. Construct reliability and validity.

	Cronbach’s alpha	Composite reliability (rho a)	Composite reliability (rho c)
EO	0.984	0.984	0.987
IM	0.985	0.985	0.987
INO	0.978	0.978	0.982

Similarly, PLS-SEM was instrumental in scrutinising both Convergent and Divergent Validities within the study. Convergent Validity was assessed through the calculation of the Average Variance Extracted (AVE), with all factor values exceeding 0.5, thereby adhering to the prescribed criteria (Hair Jr et al., 2023). Further confirmation of convergent validity was substantiated by presenting a comprehensive table of outer loadings, each surpassing the 0.7 threshold (Hair Jr et al., 2023).

The study employed a three-pronged approach to the meticulous examination of Discriminant or Divergent Validities. The HTMT (Heterotrait-Monotrait) Ratio computation revealed values consistently below 0.85 across all constructs per the specified criteria (Kline et al., 2012). Additionally, utilising the Fornell and Larcker Criterion alongside cross-loading methods was integral to fulfilling the requisite standards (Kline et al., 2012).

Table 5. Outer loading and cross loading

	Original	Sample	Standard	T statistics	P values
	sample (O)	mean (M)	deviation (STDEV)	(O/STDEV)	
EO1 <- EO	0.967	0.968	0.008	118.163	0.00
EO2 <- EO	0.953	0.953	0.009	101.916	0.00
EO3 <- EO	0.965	0.965	0.009	110.072	0.00
EO4 <- EO	0.968	0.968	0.008	123.108	0.00
EO5 <- EO	0.954	0.954	0.01	91.418	0.00
EO6 <- EO	0.961	0.961	0.009	110.42	0.00
IM1 <- IM	0.941	0.942	0.012	78.808	0.00
IM2 <- IM	0.952	0.953	0.01	98.269	0.00
IM3 <- IM	0.953	0.953	0.011	89.214	0.00
IM4 <- IM	0.95	0.95	0.011	86.803	0.00
IM5 <- IM	0.962	0.962	0.008	120.984	0.00
IM6 <- IM	0.943	0.943	0.012	77.9	0.00
IM7 <- IM	0.951	0.952	0.01	92.93	0.00
IM8 <- IM	0.951	0.951	0.011	90.312	0.00
INO1 <- INO	0.961	0.961	0.01	96.838	0.00
INO2 <- INO	0.966	0.966	0.007	134.4	0.00
INO3 <- INO	0.952	0.952	0.011	89.389	0.00
INO4 <- INO	0.962	0.962	0.008	117.967	0.00
INO5 <- INO	0.949	0.949	0.011	87.446	0.00

Outer Loading - MEAN, STDEV, T values, p values

Another method to test convergent and divergent validity involves examining the outer loading and cross-loading table. If each item's loading within a construct is higher than 0.7, it indicates convergent validity. Similarly, when an item from one construct doesn't exhibit high loading in another construct, typically represented in a cross-loading table, it signifies divergent validity. (Hair et al., 2009).

Within the structural path analysis, four hypotheses were scrutinised, each evaluating specific relationships and their corresponding effect sizes:

3.3. RESULTS AND DISCUSSION

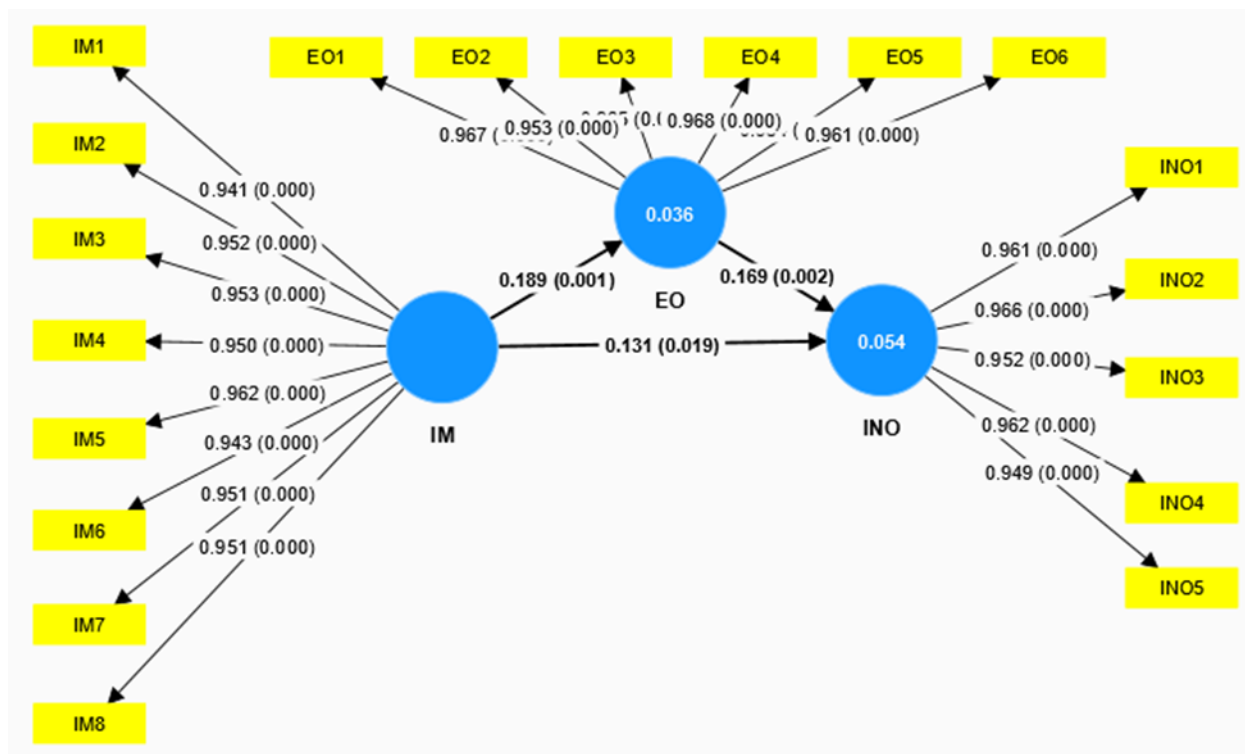


Figure 1. Four hypotheses and respective results

Table 5. Results from univariate analysis

Direct Effect	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics ((O/STDEV))	p values
EO -> INO	0.169	0.169	0.054	3.098	0.000
IM -> EO	0.189	0.189	0.055	3.447	0.001
IM -> INO	0.131	0.131	0.056	2.353	0.000

Indirect Effect – Mean, STDEV, T values, p values

Table 6. Results from univariate analysis

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics ((O/STDEV))	p values
IM -> EO -> INO	0.032	0.032	0.014	2.247	0.000

The first path established a significant positive association between internal marketing and entrepreneurial orientation ($\beta = 0.189$, $t = 3.447$, $p < 0.05$), substantiating support for hypothesis 1. The positive coefficient indicates that as

internal marketing increases, so does entrepreneurial orientation. This finding is further reinforced by the insight from (Day et al., 1998), who emphasised that internal marketing is fundamental to entrepreneurship. However, in

the Sindh region, the scenario seems different, with business owners not actively engaging in internal marketing practices. Nevertheless, these research findings could potentially shift their perspective on how they perceive things. The second path delineated a direct positive relationship between entrepreneurial orientation and innovation ($\beta = 0.169$, $t = 3.098$, $p < 0.05$), affirming support for hypothesis 2. The Day et al. (1998) article already documented the positive link between entrepreneurial orientation and innovation but focused on the Spanish market. This current research, however, validates this relationship across various regions worldwide, marking one of the contributions of this study. The third path revealed a direct positive association between internal marketing and innovation ($\beta = 0.131$, $t = 2.353$, $p < 0.05$), lending support to hypothesis 3. The fourth aspect of the analysis explored an indirect effect: the relationship between internal marketing and innovation toward sustainability mediated by entrepreneurial orientation ($\beta = 0.032$, $t = 2.247$, $p < 0.05$), thereby confirming the fourth hypothesis.

Moreover, the calculated effect sizes for the relationships were reported as 0.036 between internal marketing and entrepreneurial orientation and 0.054 between internal marketing and innovation and sustainability. These findings indicate a small effect size for both associations. This research's third and fourth hypotheses contribute theoretically to the literature on internal marketing, innovation and sustainability, and entrepreneurial orientation by elucidating the theoretical connections among these variables. The results of this study demonstrate that innovation isn't solely directly linked with internal marketing; instead, this relationship also operates indirectly through entrepreneurial orientation. It aims to fill the gap in prior research by extending existing frameworks to explain how internal marketing and entrepreneurial orientation impact innovation within family businesses. The findings have revealed that internal marketing not only positively affects entrepreneurial orientation but also positively impacts innovation and sustainability. This aligns with existing literature, such as Ngo & O'Cass (2012), which suggests that internal marketing leads to generating creative ideas for serving customers. Internal marketing, essentially a philosophy managing human resources based on marketing principles, treats employees as internal customers, addressing their needs with the same dedication as external customers. This approach inspires employees to go the extra mile, even beyond their job requirements, to contribute to the firm's stability. Internal marketing emerges as a core tool for motivating, retaining, and engaging employees (Czaplewski et al., 2001), enhancing human capital performance through innovation, motivation, and productivity (Velasco et al., 2011). There's a noted gap in the literature focusing on marketing within family businesses, with limited studies exploring the impact of marketing, especially internal marketing, in family firms (Ruizalba et al., 2014). This research attempts to bridge this gap by examining the link between internal marketing, entrepreneurial orientation, and innovation and sustainability based on prior literature.

The study first contributes to the literature by giving new insights and knowledge into the sectoral activity of bakeries in Pakistan since this paper is the first one on this subject, despite other relevant contributions to the literature. The results also contribute to the management and marketing activity towards sustainable practices of management in the Sindh province that will allow the sectoral economic, social and environmental of bakeries. At the same time, the paper allows the application in other areas and regions, namely, in South Asian countries in development.

5. CONCLUSIONS

Despite a considerable amount of literature focusing on marketing sectoral analysis, none are related to the agrifood industries in Pakistan, Sindh province, or the bakery sector. This paper tries to fill this gap in the literature. Bakeries in Pakistan, in general, and in the Sindh region, in particular, are traditionally family industries whose succession is ensured by direct family members, wherein, in the majority of cases, their management is assured by the next generation of family succession without training in the areas of management or marketing, which makes innovation and production optimisation quite challenging to achieve. This paper tries to overcome this problem, and the main results highly conclude that the managers' and employers' education and training are crucial to developing this sector across the Sindh province.

The main results highlight that in noondays' competitive bakery business in the Sindh region, innovation is crucial, and internal marketing stands as an essential factor contributing to innovation and sustainability, especially within family businesses. The results confirm managers' productivity mindset instead of addressing environmental sustainability. Bakeries firms must directly address sustainability in all production and customer sales processes, namely reducing energy inputs and meeting consumers' needs concerning sustainable needs and goals.

The study had some limitations. Firstly, the sample was restricted solely to family bakery companies in the Sindh region of Pakistan, and the sample doesn't cover the entire country. So, the results can not totally be applied along the entire country, and the results could only be used as a case study.. Secondly, it focused only on the manufacturing sector of bakeries, potentially leading to biases in the results due to differences with other industries in the sector. Future research could expand this study to the entire country with a representative sample of bakeries firms. The analysis could also be extended to another industry and the service sector with the necessary adjustments, mainly in developing countries, and expanded to developed countries across other agro-industries. Another limitation was the cross-sectional nature of the research. Employing a cross-section analysis with longitudinal time data could offer deeper insights into how the innovation process evolves within family businesses over time. This longitudinal perspective could reveal sustainable innovation processes' dynamics and evolutionary aspects within these contexts. By addressing these limitations and incorporating additional variables and

a broader scope of industries, future research could enrich our understanding of the complexities of internal marketing, entrepreneurial orientation, and innovation within family businesses.

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