THE IMPACT OF MARKET ORIENTATION ON *ESPIRIT de CORPS,* CUSTOMER ORIENTATION, AND BUSINESS PERFORMANCE

MICHAEL PROVITERA, Saint Peter's College
JOSEPH HAIR, Louisiana State University
WILLIAM JOHNSON, Nova Southeastern University
RICHARD PLANK, University of West Michigan

Market orientation has developed into a well-researched topic since Kohli, Jaworski, Narver, and Slater pioneered the conceptual and theoretical foundations in 1990. This study extends prior empirical research on market orientation to include esprit de corps in the sales area of organizations. A substantial body of research finds a positive relationship between market orientation and esprit de corps, business performance, and the customer orientation of the salespeople. However, all firms have not embraced market orientation. This paper extends previous work by showing that market-oriented business practices, while important to most organizations, may not be important to all organizations.

INTRODUCTION

Webster (1992, p.14) suggests that the role of marketing in the corporation is changing and "marketing must be a part of everyone's job description and part of the organizational culture." Toward the end of the 20th century, marketing became a more decentralized function in many large companies, although it is not clear that this resulted in heightened business performance. One of the outcomes of decentralization is the application of the marketing concept leading to the theory of market orientation. Market-oriented business practices provide an organization the means of influencing the customer orientation of its salesforce and its rationale in expecting the salesforce to behave and respond to customer needs in a manner that is congruent with the firm's market orientation (Siguaw, Brown, and Widing 1994, p. 107; Menguc 1996; Kennedy, Lassk, and Goolsby 2002). This includes the perception by customers regarding salespeople's customer orientation (Deshpande, Farley, and Webster 1993, p. 30; Michaels and Day 1985; Saxe and Weitz 1982; Steinman, Deshpande, and Farley 2000). Today, the role of marketing is expanding to include important connections between the customer and critical firm elements, including connecting the customer to the product, service delivery, and financial accountability (Moorman and Rust 1999).

The Marketing Management Journal
Volume 12, Issue 2, pages 67-79

Despite the marketing concepts apparent wisdom and importance, it has always had to struggle for continued acceptance--even in those firms that embraced it (Webster 1988, p.32; Becker and Homburg 1999; Henderson 1998). This presents two conflicting perspectives within the extant literature on market-oriented business practices. The first perspective is that "the contribution of a market-oriented business culture is swiftly moving from being merely an article of faith in marketing and management to being accepted as fact" (Slater and Narver 1996, p. 159). This perspective is strongly supported by empirical evidence that demonstrates a positive relationship between market orientation and business performance (Narver and Slater 1990; Ruekert 1992; Deshpande, Farley, and Webster

1993; Jaworski and Kohli 1993; Slater and Narver 1994:1996). The second perspective is that the empirical evidence tolerates a lack of universal acceptance of a market orientation (Kohli, Jaworski, and Kumar 1993, p. 65; Kohli and Jaworski 1990, p. 15; Greenly 1995, p. 8; Groonroos 1989, p.52; Miles and Snow 1978; Day 1994, p.48; Bisp 1999), despite the fact that market orientation is a key element in an organization's culture (Deshpande and Webster 1989; Deshpande, Farley, and Webster 1993; Cardy 2001; Homburg and Pflesser 2000).

Market orientation has been posited to "provide a sense of pride in belonging to an organization in which all departments and individuals work toward the common goal of satisfying customers" (Jaworski and Kohli 1993, p. 57). In contrast, many marketing managers recognize the value of a high *esprit de corps* but most have little idea of how to foster it (Boyt, Lusch, and Schuler 1997, p. 2). Moreover, empirical data regarding esprit de corps among the salesforce is set on a weak theoretical foundation (Moon 1994). For example, Menguc (1996) contends that "a salesperson may feel a greater loyalty to the customer than to his or her own employer and could exercise a higher level of customer orientation than the firm desires" (p. 288). Thus, understanding the link between market-oriented business culture and *esprit de corps* is important to organizational effectiveness.

Organizations evaluating their strategic advantage along with their level of market orientation should be prepared to evaluate teamwork in the sales area, whether it be interdepartmental, organizational, or as a function of one or more strategic business units within the organization (Thompson 1993). In this study, we investigate the relationship between the level of market orientation and its impact on the *esprit de corps*, customer orientation of the salespeople, and the firm's overall business performance.

SOME FUNDAMENTAL ISSUES ON MARKET ORIENTATION

If market orientation is effective, then why have not all firms embraced it? Prior research has not provided an unequivocal answer to this question. Is more research necessary to clarify the extent of market orientation in organizations? Do we have to educate practitioners about the virtues of being market-oriented? (Grover 1996, p. 116).

The extant literature posits, "a market orientation appears to provide a unifying focus for the efforts and projects of individuals and departments within an organization, thereby leading to superior performance" (Kohli and Jaworski 1990). This is supported by numerous studies that report a positive relationship between the magnitude of a business's market orientation and measures of business performance (Narver and Slater 1990; Ruekert 1992; Deshpande, Farley, and Webster 1993; Jaworski and Kohli 1993; Slater and Narver 1994).

Some prior researchers found only weak relationships between market orientation and business performance. For example, Greenly (1995) noted that "market orientation may not have a direct effect on performance in all national business cultures, or its influence seems to be dependent on environment" (p. 8). Furthermore, he concluded that the market-orientation scales of previous researchers were designed for academic research and, therefore, likely to be of limited benefit to companies. Similarly, Day (1994, p.48) noted that little is known about the characteristics of successful programs for building a market orientation. In particular, he concludes that research on market orientation has provided the prescription but has not followed through with the tools to help managers. Finally, Kohli and Jaworski (1990) argue that market orientation may not be suitable for all organizations because each is unique and has its own strategic identity.

Prior research has clearly identified the impact of market orientation on business practices. Throughout the development of market orientation theory, there has been a strong link between theory and practice. Some brief milestones of the links between theoreticians and practitioners:

- Drucker (1954, p. 39) posited that "marketing is not a specialized functional activity but rather the whole business seen from the point of view of its final result; that is, from the customer's point of view."

- The first empirical study on market orientation investigated the attitudes of executives and academics (Barksdale and Darden 1971).

- In 1987, the Marketing Science Institute organized a forum to articulate the need for strong, scholarly research to better define, measure, and model a construct (for the marketing concept). Interestingly, the four speakers at this conference were executives from leading companies (Borg-Warner Chemicals, GTE, Leo Burnett Advertising, and Ryder), and not academics (Deshpande 1998, p. 2).

- More recently, Deshpande and Kohli (1989) worked together on the organizational flow of information, which later led to research in market orientation. Then, Deshpande branched out to incorporate market orientation and business culture, while Kohli joined Jaworski (1990) and developed what is known as the theoretical foundation of market orientation today.

- Another Marketing Science Institute conference hosted in 1990 included companies such as GE, Dupont, McKinsey, and USWest. At this conference, both management theorists (Andrew Van de Ven) and marketing scholars (John Mullins, Robert Ruekert, Orville Walker, and Barton Weitz) framed their remarks within the context of understanding organizational change and market orientation (Deshpande 1998, p. 2).

While the pioneers of market orientation research initiated projects that encompassed empirical studies across many disciplines, our understanding of market orientation is incomplete. "One could argue that satisfaction of future customers' needs is unlikely if a firm does not have a market-focused business definition" (Grover 1996, p. 115; Grover 1995; Shapiro 1988). Moreover, "adopting a conceptualization (e.g., Narver and Slater 1990; 1996; Kohli and Jaworski 1990; Kohli, Jaworski, and Kumar 1993; Deshpande and Farley 1996) implies that we accept there are many dimensions of the construct of market orientation" (Grover 1996, p. 115). Harris and Ogbonna (1999, p. 177) posit that "as the new millennium dawns, marketing stands labile at the cusp of another major shift, one that will lead to questioning many of the assumptions on which traditional marketing organizations have been built." This empirical study has extended the market-orientation research of Jaworski and Kohli (1990:1993) to the *esprit de corps* of salespeople; retested three popular scales used to measure the effect of market orientation on business performance, customer orientation, and *esprit de corps;* and solicited information in the form of self-reports from senior management, sales managers, and customers of the firm.

THEORY AND HYPOTHESES

Market Orientation and *Esprit de Corps*

Kohli and Jaworski (1990) suggest, "the *esprit de corps* within an organization may itself be improved by a market orientation" (p. 13). Similarly, Kohli and Jaworski (1990) and Boyt, Lusch, and Schuler (1997) found that "at the workgroup level, *esprit de corps* exists when individuals in the same department or team enthusiastically share values and goals." Hence, depending on the business's objectives and culture, market orientation should perform as hypothesized below:

H_1: There is a positive relationship between a firm's market orientation and *esprit de corps* in the sales area of that firm.

Market Orientation and Customer Orientation

Strong first introduced the concept of customer orientation of salespeople in 1925, arguing that personal selling strategies should be directed toward securing customer satisfaction. Kurtz, Dodge, and Klompmaker (1976) extend a relationship between the marketing concept and the behavior of salespeople: A professional salesperson does not wonder, "What can I sell this individual?" but, instead, asks, "How can I best solve this persons problems?" (p. 14). Moreover, Siguaw, Brown, and Widing (1994, p. 107) contend that firms can influence the customer orientation of their salesforce and are rational in expecting the salesforce to behave and respond to customer needs in a manner that is congruent with market orientation. Strieter (2000) found that salesperson perceptions related to firm market orientation influence employee-perceived capabilities, which, in turn, influence benefit perceptions related to using customer information. Considering the above theoretical foundations, the following hypothesis is posed:

H_2: There is a positive relationship between the market orientation of a firm and the customer orientation of that firms salespeople.

Market Orientation and Overall Business Performance

Organizations that are market-oriented have been posited to have improved overall business performance, increased customer satisfaction, and, hence, increased performance levels greater than those that are not market-oriented (Jaworski and Kohli 1993, p.57; Day, 1990; Kohli and Jaworski 1990; Narver and Slater 1990; Ruekert 1992; Slater and Narver 1994:1996). Empirical studies by Narver and Slater (1990) and Greenley (1995, p. 3) offer support for the relationship between market orientation and business performance. It is, therefore, posited that:

H_3: There is a positive relationship between a firms market orientation and its business performance.

RESEARCH DESIGN

The Sample

This study used a key informant design. The sample was drawn from the register of North American member companies of the National Paper Trade Association (NPTA). The initial communication was made with the key contact (senior manager/CEO) of each member company in a personalized letter from the president of the NPTA requesting the company participation in the study. The cover letter explained that the researchers were conducting a study on "Business Practices." Senior managers/CEOs were requested to provide the names and addresses of one sales manager and one customer to serve as informants. The senior manager/CEOs and the names supplied by them were then used as the key informants. An introductory letter and survey designed to appeal directly to the respondent were subsequently mailed out to the informants.

A total of 74 member companies agreed to participate. Responses were received from 58 companies, which resulted in an overall response rate of 78 percent of the companies that agreed to participate. The last 10 percent of responses were compared to the majority for each scale and no significant differences were found.

The mean age of the respondents was 44 for both the customers and sales managers, and 49 for the senior managers. The customers, sales managers, and senior managers were mostly male, the majority had obtained a bachelor's degree, and most had completed some graduate work. The majority of the respondents for the market-orientation scale were company presidents, for the sales teamwork scale sales managers, and for the customer-orientation scale purchasing managers. Finally, most of the companies involved in the study employed from 51 to 200 people, and the companies' customers employed from 201 to more than 501 people.

Measures

Market Orientation: The Summary Scale for Market Orientation, developed by Deshpande and Farley (1996, p. 19) was used. It included ten items rated on a five-point Likert scale. This scale was sent to senior managers/CEOs to assess the magnitude of market orientation in their organization. Siguaw, Brown, and Widing (1994) argue that "further research should consider having senior management assess the market orientation of the firm independently" (p. 114). Snow and Hrebiniak (1980) affirm that "top managers have the best vantage point for viewing the entire organization system" (p. 320).

Deshpande and Farley (1996) conducted a meta-analysis comprised of three scales of market orientation (e.g., Narver and Slater 1990; Kohli, Jaworski, and Kumar 1993; Deshpande, Farley, and Webster 1993) and found that the combined

Chronbach's alpha of the three scales was reliable (Chronbach's alpha = .90).

Business Performance: The Overall Business Performance Scale, developed by Jaworski and Kohli (1993, p. 63) was used. It consists of two items on a five-point Likert scale, and was also sent to senior managers/CEOs. Jaworski and Kohli (1993, p. 60) concluded that business performance can be determined based on both judgmental and objective measures. The judgmental measure asked respondents to assess overall performance relative to major competitors (it has two items rated on a five-point Likert scale ranging from poor to excellent). The objective factor is based on the business performance of firms noted in some of the financial periodicals. Both methods were implemented in the present study.

Customer Orientation of Salespeople: The Selling Orientation-Customer Orientation (SOCO) scale developed by Saxe and Weitz (1982) was used. The 24-item SOCO scale has 12 positively stated items and 12 negatively stated ones, rated on a nine-point Likert scale. The items represent six categories that characterize customer-oriented selling: a) attempting to help customers make satisfactory purchase decisions; b) helping customers assess their needs; c) offering products that will satisfy those needs; d) describing products accurately; e) avoiding deceptive or manipulative influence tactics; and, f) avoiding the use of high pressure (Saxe and Weitz 1982, p. 114). The six characteristics emphasize that a highly customer-oriented salesperson will not sacrifice a customer's best interests to make a sale but will focus on meeting and exceeding the customer's needs. This scale was sent to the customers/buyers to assess their satisfaction with salespeople.

Tadepalli's (1995) version of the SOCO scale was used in our study to assess the organizations' buyers' perception of the salespeople. Tadepalli (1995) changed the Michaels and Day (1985) scale to a more conventional one in order to provide all respondents with the same frame of reference by modifying the scale instructions to refer to the respondent's most recent buying situation (p. 177). He found that "a strong positive relationship" (@ = .01) between a salesperson's customer orientation, as measured by this modified scale, and the buyer's satisfaction with that salesperson underscores the usefulness of this scale in measuring this relationship (p. 186). The reliability of .94 (Chronbach's alpha) for Tadepalli's modified scale is higher than the reliabilities reported by both Saxe and Weitz (1982) and Michaels and Day (1985).

Esprit de Corps: The Jaworski and Kohli (1993) *Esprit de Corps* Scale (p. 68) was used. It has seven items rated on a five-point Likert scale. This scale was sent to sales managers to assess teamwork in their areas of the organization.

ANALYSIS AND RESULTS

Reliability Analysis of the Scales

A high level of reliability exists for each of the scales used in this study (see Table 1).

The reliability of each scale is very robust except for the market orientation scale, which was only .72 in comparison to Deshpande and Farley's (1996) alpha of .89. However, market-orientation scales have posited low reliability in prior research: Selnes, Jaworski, and Kohli (1996) reported .73 alpha; Narver and Slater (1990) reported .78 alpha; and Jaworski and Kohli (1993) also reported an alpha of .78.

Hypothesis Tests

Hypothesis 1 was tested using both regression analysis and a judgmental measure to assess the relationship between market orientation and business performance. The regression analysis posited no significant relationship between the two scales (see Table 2). Furthermore, the correlation between the two scales was close to zero ®=.066). The judgmental analysis of Hypothesis 1 was tested using regression analysis to assess the relationship between the firm's market orientation and *esprit de corps* in the sales area of that firm (see Table 2). Again, no significant relationship was found between the two scales (the correlation between the two scales was close to zero; r=.138).

Table 1
Reliability Coefficients

Scale	Number of Cases	Number of Items	Our Study Alpha	Prior Research Alpha	
1. Customer Orientation	58	21	.87	.94	(Tadepalli 1995)
2. *Esprit de Corps*	58	7	.84	.90	(Jaworski and Kohli 1993)
3. Market Orientation	58	10	.72	.89	(Deshpande and Farley 1996)
4. Business Performance	58	2	.79	.83	(Jaworski and Kohli 1993)

Hypothesis 2 was tested using regression analysis to assess the relationship between the market orientation of a firm and the customer orientation of that firm's salespeople (see Table 2). No significant relationship was found between the two scales (the correlation between the two scales was close to zero; r=.059).

Hypothesis 3 was based on the objective measure of business performance. Financial periodicals covering the paper and forest products industry and the packaging and container industry were used. Falzone (1999b, p. 912) found that prices for nearly every major paper grade have declined by 10 percent to 30 percent over the past year, mainly due to overcapacity and poor demand overseas. Moreover, major companies in the industry have placed renewed emphasis on cost reduction to shore up their sagging operating margins.

Furthermore, Falzone (1999a, p. 939) posits that competitive pressure on pricing and market share is compelling management teams to focus on greater operating efficiency. Merger activity has played an important role in the expansion process as major players have combined forces to benefit from economies of scale and other synergies.

Descriptive Data Analysis

To further analyze the data, a descriptive analysis was performed to identify reasons for the disparity among the variables. The descriptives indicate that the respondents felt slightly above neutral on all the scales except for the customer orientation of salespeople scale (SOCO scale), in which informants indicated that they moderately agreed to strongly agreed that the salespeople were customer-orientated as opposed to sales-oriented.

DISCUSSION AND IMPLICATIONS

Market Orientation and Overall Business Performance

The finding of no relationships between market orientation and business performance differs from previous studies by Narver and Slater (1990), Ruekert (1992), Deshpande, Farley, and Webster (1993), Jaworski and Kohli (1993), and Slater and Narver (1994). This may be due to managers in this industry making a conscious trade-off between pricing strategies and profitability. Trade-offs exist between choosing a strategy and implementing a market orientation, and companies should be aware of this trade-off (Matsuno and Mentzer 2000). Furthermore, senior managers must recognize that all organizations need not be market oriented as this depends on the organizational and environmental contexts in which strategy is formulated (Tadepalli and Avila 1999). It also is possible that the organizations in this sample see greater long-term benefits from being price-sensitive than from maximizing overall business performance. Managerial decisions such as this one are likely because of the industry conditions that were prevalent at the time of this study. As noted by Jaworski and Kohli (1996, p. 132), "If a firm's target customers care primarily about price and little else, the firm is very market-oriented--it understands its customers'value function and is responsive to it."

Table 2
Regression Analysis

Model	Sum of the Squares	Degree of Freedom	Mean Square	F	Significance
Hypotheses 1: Market Orientation and *Esprit de Corps*					
	21.15	1	21.15	1.08	.303
	1095.47	56	19.56		
Total	1116.62	57			
Hypothesis 2: Market Orientation and Customer Orientation					
	31.81	1	31.81	.09	.67
	9234.53	56	19.56		
Total	9266.34	57			
Hypothesis 3: Market Orientation and Business Performance					
	.55	1	0.55	.25	.62
	126.73	56	2.21		
Total	127.28	57			

Market Orientation and *Esprit de Corps*

The lack of a significant relationship between market orientation and *esprit de corps* is inconsistent with previous findings of Jaworski and Kohli (1990:1993), Antuane-Gima (1996), and Selnes, Jaworski, and Kohli (1996). This could be due to managers making a conscious trade-off between flattened business structures and traditional hierarchies. The majority of the firms investigated had traditional hierarchies as opposed to decentralized forms of business.

Market Orientation and Customer Orientation

A significant relationship was not found in this study between market orientation and customer orientation. These findings are inconsistent with previous findings of Siguaw, Brown, and Widing (1994), Menguc (1996), Deshpande, Farley, and Webster (1993), Michaels and Day (1985), and Saxe and Weitz (1982). Results of the current study could be due to other customer satisfaction strategies that do not necessarily incorporate market orientation. The firms investigated in our study had unique characteristics and, in many cases, their own strategic identity. Another possible explanation is that the relationships of the salespeople and their customers are successful without incorporating the effects of market orientation. For example, the customers we studied typically felt that the salespeople were customer-oriented as opposed to selling-oriented. This observation suggests that market orientation does not necessarily explain perceptions of customer orientation of salespeople in all business environments.

In an effort to better understand our findings, we conducted a follow-up survey of 30 randomly selected respondents from each of the three categories: senior managers/CEOs, sales managers, and customers. From these follow-up interviews, we learned that market-oriented business practices in the paper and packaging industry are important but not as important as in some other industries. It was suggested that salespeople are customer-focused but do not need teamwork to achieve their objectives. However, customers indicated that they are very satisfied with the salespeople.

Polling of end-users often was not perceived to be of major importance to senior managers in this industry. Most managers estimated that their company measures customer service every two years or so, and that this frequency of customer polling was not necessarily an indication of a lack of market orientation. Most managers mentioned that polling customers one or more times a year might annoy them. A few companies were awaiting a QS9000 reporting system that will enable them to measure customer satisfaction more often. Furthermore, one manager said, "We are in business to make above-average profits, and great customer service and quality are marketing strategies."

Sales managers revealed that salespeople in this industry typically are independent contractors and, therefore, do not have to support each other through *esprit de corps*. Moreover, each salesperson has a customer base of his or her own, and teamwork was perceived to be of little value. This indicates that salespersons have less of a problem with role conflict impairing their job satisfaction (Sumrall and Sebastianelli 1999).

On occasion, however, specialists are required to serve a customer's needs, and salespeople do tend to come together in these situations. A sales manager stated, "Our salespeople are customer-focused and they do meet our customer's needs, just not as a team." Furthermore, when necessary, teamwork is apparent among salespeople, customer service, and distribution. Customers indicated that they preferred not to be surveyed too often. One customer summarized it this way: "We get heavy customer service--our salesperson stops in once a week." Most customer orders are done on-line using electronic commerce but the salesperson still makes a sales call to ensure customer satisfaction.

The following conclusions can be drawn from our follow-up study: 1) Teamwork exists among the salesforce only as an added customer benefit. Territory assignments provide greater mobility for and accessibility to salespeople so *esprit de corps* is unnecessary in most cases. 2) Senior managers are well aware of their customer needs and, due to the nature of the paper and packaging products industry, they are able to foster excellent customer service without having to frequently measure customer satisfaction and commitment by polling end-users. 3) Disseminating information is not as important in paper and packaging as in other industries because of the frequent service calls to the customer by the salespeople.

Managerial Implications

The findings suggest that senior management continuously evaluate whether a market orientation is necessary in their business environment to sustain competitive advantage (Celuch, Kasouf and Peruvemba 2002). Most importantly, senior leaders within the organization have to sell the idea of market orientation through every functional area of the business (Harris and Piercy 1999, Van Egeren, Trinh and O'Connor 1999, Locander, Ladik and Stuart 2002). Payne (1988) found that organizations must develop a fully marketing-oriented environment. He argued that:

Successful development of a marketing orientation requires a thorough understanding of the organization's existing culture and a carefully constructed program of management development, support activities, and follow-up to overcome the organizational inertia that can impede the transition to marketing effectiveness. (p. 46)

Four managerial implications are proposed:

a) Prior research has shown that market-oriented business practices promote increased business performance. Specifically, market-oriented firms are organizations that track and respond to customer needs and preferences, better satisfy customers, and perform at higher levels (Jaworski and Kohli 1993, p. 57). This indicates that the companies in our study will have a fundamental shift in business philosophy if they choose to become more market-oriented. This is a minor trade-off when considering the benefits demonstrated in other industries when they have become market-oriented.

b) Senior managers of the NPTA should continue to survey their customers to ensure superior customer service. Recognizing the importance of surveying end-users and ascertaining customer satisfaction is an important component of a market-oriented business. Customer feedback should be disseminated throughout all levels of the organization, enabling employees at all levels to better serve customers and meet customer needs.

c) Sales managers should assess teamwork in the sales area. *Esprit de corps* in the sales area is increasingly popular as organizations attempt to provide their front-line employees with the necessary tools to attain superior customer service. This is important because unhappy customers do not always complain before they find services elsewhere--they just leave.

d) Senior managers must find a balance between customer-focused vs. competitor-centered strategic objectives. Day and Wensley (1988) contend that "by simply relying on evidence that is available or customary in the industry, firms may evolve passively toward an unbalanced reliance on either customer-focused or competitor-centered measures, to the possible neglect of the other perspective" (p. 17). Moreover, "the competitors are assumed to be doing a proper marketing job, and managers with this mindset are more likely simply to emulate their competitors when they select strategies" (p. 17). Shapiro noted how easy it is for managers to become complacent and lose objectivity when examining their performance (1988, p. 25).

In order to become more market-oriented, managers should get people from different functions to share information about the market, understand the market and the customers who decide whether or not to buy their product, and decide what actions to take to provide superior customer value. Becoming market-oriented requires making major changes in culture, processes, and structure of the traditional centralized type of organization. Nonetheless, the mounting evidence suggests that market-oriented organizations have an important competitive advantage in providing customer value and achieving superior performance.

Limitations

Some fundamental limitations add to the reasons why this study did not find relationships between market orientation and *esprit de corps*, customer orientation, and business performance. First, the sample response rate is small. This may be due to the lack of importance senior managers in this industry place on empirical research. Furthermore, many of the respondent companies had fewer than 100 employees, indicating that market orientation may not be as important to smaller companies as it is to larger organizations, which have multifaceted information systems and a greater number of both employees and customers. These smaller companies may also be "laggards" in adopting market-oriented business practices. Second, our primary focus was based on investigating one industry to provide evidence of the acceptance and use of a market-oriented business practice in that particular industry. This approach has inherent limitations in that the industry itself may not be market driven and may rely on supply and demand of their products as their primary indication of business performance.

CONCLUSION

Although market-oriented business practices offer clear applications to many industries, they need not be applied to every possible industrial situation (Houston 1986; Jaworski and Kohli; 1993, Slater and Narver 1994; Grewal and Tansuhaj 2001). The desire to develop a market-oriented culture may not be the strategic objective of every industry. Moreover, without a detailed understanding of the complex issues involved in the management or manipulation of organizational culture, the development of market orientation is at best problematic and at worst impossible (Harris 1999).

Jaworski, Kohli, and Sahay (2000) found that exceptional companies are able to manage the present through short-term market-driven actions. These short-term actions may reshape markets by driving them into new competitive environments without incorporating long-term market-oriented business practices. Furthermore, as companies aspire to become market-driven, they exhort employees to get closer to customers, stay ahead of competitors, and make decisions based on their markets, but even the best-intentioned senior managers find it difficult to translate those aspirations into action (Day 1999). Senior managers must stay on top of the change process to not only ensure its success but also to sustain it. The market-oriented organization must disseminate best practices using metrics, utilize continuous improvement via benchmarking against competition, increase the frequency of customer feedback to ensure customer satisfaction, and keep abreast of all processes to reinforce the effort to become market-driven.

This study has shown that although market-oriented business practices are conventional wisdom, they still lack universal acceptance and application. Our qualitative findings suggest that the NPTA organizations are customer-focused and service their customer needs in their own unique way.

Despite the weak associations found in this study, several management implications are extended. Additionally, there are many substantive and methodological issues that require further investigation to understand how market orientation as conventional wisdom can be managed by organizations to improve competitive advantage and achieve superior performance. This study tested what was thought to be a simple model and the data indicated that measuring market-oriented business practices is not so simple. The researchers hope that this empirical study will encourage more work in the area of market orientation and *esprit de corps*.

REFERENCES

Antuane-Gima, Kwaku (1996), "Market Orientation and Innovation," *Journal of Business Research*, 35(2), 93-103.

Barksdale, Hirum C., and Bill Darden (October, 1971), "Marketers' Attitudes Toward the Marketing Concept," *Journal of Marketing*, 35, 29-36.

Becker, Jan, and Christian Homburg (1999), "Market-Oriented Management: A Systems-Based Approach," *Journal of Market-Focused Management,* 4(1), 17-41.

Bisp, Soren (1999), "Barriers to Increase Market-Oriented Activity: What the Literature Suggests," *Journal of Market-Focused Management*, 4(1), 88-92.

Boyt, Thomas E., Robert F. Lusch, and Drue K. Schuler (Spring, 1997), "Fostering *Esprit de Corps* in Marketing," *Marketing Management*, 6(1), 20-27.

Cardy, Robert L. (2001), "Employees as Customers?" *Marketing Management*, 10(3), 12-13.

Celuch, Kevin G., Chickery J. Kasouf, and Venkatarkrishnan Peruvemba (2002), "The Effects of Perceived Market and Learning Orientation on Assessed Organizational Capabilities," *Industrial Marketing Management*, 31(6), 545-554.

Day, George S. (October, 1994), "The Capabilities of Market-Driven Organizations," *Journal of Marketing*, 58, 37-52.

Day, George S. (1990), *Market-Driven Strategy: Processes for Creating Value*, New York: Free Press.

Day, George S. (1999), "Creating a Market-Driven Organization," *Sloan Management Review*, 41(1), 11-22.

Day, George S., and Robin Wensley (April, 1988), "Assessing Advantage: A Framework for Diagnosing Competitive Superiority," *Journal of Marketing*, 52, 1-20.

Deshpande, Rohit (1998), *Developing a Market Orientation,* SAGE Publications: Thousand Oaks, London, New Delhi.

Deshpande, Rohit, and John U. Farley (1996), "Understanding Market Orientation: A Prospectively Designed Meta-analysis of Three Market Orientation Scales," *Marketing Science Institute*, 1-22.

Deshpande, Rohit, John U. Farley, and Frederick E. Webster Jr. (January, 1993), "Corporate Culture, Customer Orientation, and Innovativeness in Japanese Firms: A Quadrad Analysis," *Journal of Marketing*, 57, 22-27.

Deshpande, Rohit, and Ajay K. Kohli (December, 1989), "Knowledge Disavowal: Structural Determinants of Information-processing Breakdown in Organizations," *Knowledge: Creation, Diffusion, Utilization*, 11(2), 155-169.

Deshpande, Rohit, and Frederick E. Webster Jr. (January, 1989), "Organizational Culture and Marketing: Defining the Research Agenda," *Journal of Marketing*, 53, 3-15.

Drucker, Peter F. (1954), *The Practice of Management,* New York: Harper and Row Publishers, Inc.

El-Ansary, Adel I., Noel B. Dubriskie, and John M. Browning (1993), "Sales Teamwork: A Dominant Strategy for Improving Salesforce Effectiveness," *Journal of Industrial and Business Marketing*, 8(3), 65-72.

Falzone, Frank (1999a), "Packaging and Container Industry," Value Line Investment Survey, January 15, 915-941.

Falzone, Frank (1999b), "Packaging and Container Industry," Value Line Investment Survey, April 16, 912-938.

Greenley, Gordon E. (1995), *Marketing Orientation and Company Performance: Empirical Evidence from UK Companies*, Wiley and Sons.

Grewal, Rajdeep, and Patriya Tansuhaj (2001), "Building Organizational Capabilities for Managing Economic Crisis: The Role of Market Orientation and Strategic Flexibility," *Journal of Marketing*, 65(2), 67-80.

Groonroos, Christian (1989), "Defining Marketing: A Market-oriented Approach," *European Journal of Marketing*, 23(1), 52-60.

Grover, Rajiv (1995), *Theory and Simulation of Market-focused Management*, Orlando, Florida: Dryden Press.

Grover, Rajiv (1996), "Market-focused: Some Fundamental Issues," *Journal of Market-Focused Management*, 1, 115-117.

Harris, Lloyd C, (1999), "Barriers to Developing Market Orientation," *Journal of Applied Management Studies, 8(1), 85-101.*

Harris, Lloyd C., and Nigel F. Piercy (1999), "Management Behavior and Barriers to Market-Orientation in Retailing Companies," *The Journal of Services Marketing*, 13(2), 113-129.

Harris, Lloyd C., and Emmanuel Ogbonna (1999), "Developing a Market Oriented Culture: A Critical Evaluation," *The Journal of Management Studies,* 36(2), 177-196.

Henderson, Steven (1998), "No Such Thing as Market Orientation: A Call for No More Papers," *Management Decision, 39(1), 598-610.*

Homburg, Christian, and Christian Pflesser (2000), "A Multiple-layer Model of Market-oriented Organizational Culture: Measurement Issues and Performance outcomes," *Journal of Marketing Research, 37(4), 449-462.*

Houston, Franklin S. (April, 1986), "The Marketing Concept: What it is and What it is Not," *Journal of Marketing*, 50, 81-87.

Jaworski, Bernard J., and Ajay Kohli (1993), "Market Orientation: Antecedents and Consequences," *Journal of Marketing*, 57(3), 53-71.

Jaworski, Bernard J., and Ajay Kohli (1996), "Market Orientation: Review, Refinement, and Roadmap," *Journal of Market-Focused Management*, 1, 119-135.

Jaworski, Bernard J., Ajay Kohli, and Arvind Sahay (2000), "Market-Driven Versus Driving Markets," *Academy of Marketing Science Journal, 28(1), 45-54.1*

Kennedy, Karen N., Felicia G. Lassk, and Jerry R. Goolsby (2002), "Customer Mind-set of Employees Throughout the Organization," *Academy of Marketing Science Journal, 30(2), 159-171.*

Kohli, Ajay K., and Bernard J. Jaworski (April, 1990), "Market Orientation: The Construct, Research Propositions, and Managerial Implications," *Journal of Marketing*, 54, 1-18.

Kohli, Ajay K., Bernard J. Jaworski, and Ajith Kumar (March, 1993), "Markor: A Measure of Market Orientation," *Journal of Marketing Research*, 30, 467-477.

Kurtz, David L., Robert H. Dodge, and Jay E. Klompmaker (1976), *Professional Selling,* Dallas: Business Publications, Inc.

Locander, William B., Daniel Ladik, and James Stuart (2002), "Developing a Leadership-Rich Culture: The Missing Link to Creating a Market-Focused Organization," *Journal of Market-Focused Management,* 5(2), 149-163.

Matsuno, Ken, and John T. Mentzer (2000), "The Effects of Strategy Type on the Market Orientation-Performance Relationship," *Journal of Marketing, 64(4), 1-16.*

Menguc, Bulent (1996), "The Influence of the Market Orientation of the Firm on Sales Force Behavior and Attitudes: Further Empirical Results," *Journal of Research in Marketing*, 13, 277-291.

Michaels, Ronald. E., and Ralph L. Day (November, 1985), "Measuring Customer Orientation of Salespeople," *Journal of Marketing Research*, 22, 443-446.

Miles, Raymond. E., and Charles C. Snow, C. C. (1978), *Organizational Strategy, Structure, and Process,* New York: McGraw-Hill, Inc.

Moon, Mark A. (1994), "A Task Group Model of Selling Team Performance," Dissertation, The University of North Carolina at Chapel Hill, UMI Dissertation Services, 2.

Moorman, Christine, and Roland T. Trust (1999), "The Role of Marketing," J*ournal of Marketing, 63, 180-197.*

Narver, John C., and Stanley F. Slater, (1990), "The Effect of a Market Orientation on Business Profitability," *Journal of Marketing*, 2, 20-35.

Payne, Adrian F. (1988), "*Developing a Marketing-Oriented Organization*," Business Horizons, May-June, 123-135.

Ruekert, Robert W. (1992), "Developing a Market Orientation: An Organizational Strategy Perspective," *International Journal of Research in Marketing*, 9, 225-245.

Saxe, Robert, and Barton A. Weitz (August, 1982), "The SOCO Scale: A Measure of the Customer Orientation of Salespeople," *Journal of Marketing Research*, XIX, 343-351.

Selnes, Fred, Bernard J. Jaworski, Ajay K. Kohli (1996), "Market Orientation in United States and Scandinavian companies: A Cross-Cultural Study," *Scandinavian Journal of Management*, 12(2), 139-157.

Shapiro, Benson P. (November/December, 1988), "What the Hell is Market-Oriented?," *Harvard Business Review*, 119-125.

Siguaw, Judy A., Gene Brown, and Robert E. Widing II (February, 1994), "The Influence of the Market Orientation of the Firm on Sales Force Behavior and Attitudes," *Journal of Marketing Research*, XXXI, 106-116.

Slater, Stanley. F., and John C. Narver (January, 1994), "Does Competitive Environment Moderate the Market-Orientation Performance Relationship?," *Journal of Marketing*, 58, 46-55.

Slater, Stanley. F., and John C. Narver (1996), "Competitive Strategy in the Market-Focused Business," *Journal of Market-Focused Management*, 1, 159-174.

Snow, Charles C., and Lawrence G. Hrebiniak (1980), Strategy, Distinctive Competence, and Organizational Performance, *Administrative Science Quarterly,* 25(2), 317-329.

Steinman, Christine, Rohit Deshpande, and John U. Farley (2000), "Beyond Market Orientation: When Customers and Suppliers Disagree," *Academy of Marketing Science Journal,* 28(1), 109-119.

Strieter, Jeffrey C. (2000), "The Influence of Organizational Market Orientation on Individual-Level Market-Oriented Cognitions," *Psychology & Marketing,* 17(11), 935-954.

Strong, Edward K. Jr. (January, 1925), "Theories of Selling," *Journal of Applied Psychology*, 9, 75-87.

Sumrall, Delia A., and Rose Sebastianelli (Winter, 1999), "The Moderating Effect of Managerial Sales Orientations on Salespersons' Role Stress-Job Satisfaction Relationships," *Journal of Marketing Theory and Practice*, 7(1), 72-79.

Tadepalli, Raghu (1995), "Measuring Customer Orientation of a Salesperson: Modifications of the SOCO Scale," *Psychology and Marketing*, 12(3), 177-187.

Tadepalli, Raghu, and Ramon A. Avila (1999), "Market Orientation and the Marketing Strategy Process," *Journal of Marketing Theory and Practice*, 7(2), 69-82.

Thompson, Clark A. H. (Winter, 1993), "Salomon's Back Office Bids Farewell to New York," *Waters*, 51-65.

Van Egeren, Hanh Q. Trinh, and Stephen J. O'Connor (1999), "The Influence of Top Management Team and External Environmental Characteristics on Market Orientation and Performance in Service Firms: A Test and Refinement of a Causal Model," *Journal of Professional Services Marketing,* 20(1), 5-22.

Webster, Frederick E. (1988), "Rediscovering the Marketing Concept," *Business Horizons*, 31, May-June, pp. 29-39.

Webster, F. E. (October, 1992), "The Changing Role of Marketing in the Corporation," *Journal of Marketing*, 66, 1-17.