

INVESTIGATING ``MARKETING ORIENTATION `` INFLUENCES ON ACHIEVING COMPETITIVE ADVANTAGE –WITHIN JORDANIAN MOBILE TELECOMMUNICATION INDUSTRY (BEHAVIOURAL- ATTITUDINAL PERSPECTIVE)

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—Abstract —

Several previous studies emphasised the importance of marketing orientation in achieving firms` competitive position, and many efforts have been focused on investigating Marketing Orientation-organizational performance relationship. However, the majority of previous researches have been conducted in Western cultures and within industrial contexts.

This research is an attempt to achieve a comprehensive understanding of the adopted levels of Marketing Orientation (MO) for each mobile telecommunication service provider (TSP) in Jordan, and to assess its effects on achieving competitive advantage -through integrated perspective- taking into account the attitudinal and behavioural views.

Key Words: *Marketing Orientation, Organisational Performance, Telecommunication Industry, Jordan.*

JEL Classification: M31

1. INTRODUCTION

Because of the different adopted orientations, firms` philosophies and strategic visions are varying toward managing resources, capabilities or environmental factors, and in the way which competitive strategies are being formulated. In addition, firms are different in relation to their considerations about marketing as an organizational culture. Thus, firms diverse regarding its adopted orientations into: ``marketing oriented, product oriented, sales oriented, production oriented or agnostics in marketing``, as Avlonitis and Gounaris (1997) noted.

Basing on their organisational philosophies, and in order to achieve inimitable competitive positions, telecommunication services providers adopt different orientations. Marketing orientation reflects the purpose of a business as the

creation and retention of satisfied customers (Day, 1994), and presents satisfying customers' needs as the core factor for sustaining profitability by deploying firm's resources and capabilities efficiently. On the other hand, product orientation proponents argue that: the quality of their products sells itself (Payne, 1988).

2. MARKETING ORIENTATION

2.1. Marketing Orientation/Attitudinal Perception

Firms that aim to build a sustainable competitive advantage, developing a true marketing orientation should be priority.

Since satisfying customers' needs is considered as a priority according to marketing orientation perspective, determining the extent of customer satisfaction should be in the heart of firm overall performance evaluation process in such firms.

In other words, within attitudinal perception, marketing oriented companies are these companies [which] believe that marketing is primarily a company culture (Slater and Narver, 1995) with a priority in satisfying customers' needs (Avlonitis and Gounaris, 1997). It is a business philosophy which puts the customer at the centre of all the organisation's considerations (Palmer, 2000).

2.1.1. Marketing Typology

Decisions makers are different in relation to their considerations about marketing. In practice, marketing comprises many activities related to market research, enhancing sales, promoting, advertising or market analysis. However, the effect of practical level on identifying marketing as a ``concept``, there is a board consensus, marketing is considered as an organizational philosophy which provide an approach to doing business (Brown, 1987) in Hooley et al. (1990).

In order to investigate decisions makers' attitudes toward marketing, Hooley et al. (1990) suggested a classification with four clusters aiming at developing a typology of current approaches to marketing and exploring related implementations.

In addition to **market analysis and adaptation** as an organizational attitude toward marketing (Avlonitis and Gounaris, 1997), another four groups were proposed for classifying attitudes to marketing as Hooley et al. (1990: 11-12) stated:

- **Marketing Philosophers:** see marketing both as a function with prime responsibility for identifying and meeting customers' needs, and as a guiding philosophy for the whole organisation.
- **Sales Supporter:** marketing is primary functions as sales and promotional support, and not seen as a guiding philosophy.
- **Departmental Marketers:** they confine marketing to what marketing department does, and they are not committed the adoption of full marketing orientation.
- **Unsuers:** presents the lack of clarity of marketing.

2.2. Marketing Orientation / Behavioural Perception

Lafferty and Hult (2001), through developing a synthesis of contemporary market orientation model, categorized previous studies conducted in the field of market orientation into two general perspectives: cultural focus or managerial focus, in which marketing intelligence activities are devoted a considerable attention.

Moreover, Trout and Ries (1985) signified the efforts of market intelligence for marketing oriented firms in achieving competitive advantage.

In order for evaluating marketing orientation within behaviour perspective, Kohli and Jaworski (1993) developed a three sub-dimensions scale focusing on: generation of market intelligence, dissemination of market intelligence across departments and the degree of responsiveness to the market intelligence.

2.3. Marketing Orientation /Integrated Perception

It is accepted by relative literature that, marketing oriented firms have the ability to develop and manage critical capabilities that enable to achieve differentiation (Day and wensley, 1988; Day, 1990; Vorhies and Harker, 2000) resulted -in turn- in the achievement of sustainable organizational performance.

Since, there are two levels of marketing: the philosophical and the operational (Diamantopoulos and Hart, 1993), evaluating process for ``marketing orientation-superior performance`` relationship should take into account the both levels.

Within integrated perspective, identifying firm`s level of marketing orientation comprises two views: the attitudinal and the behavioural (Avlonitis and Gounaris, 1997). While attitudinal perspective presents decisions makers attitudes and beliefs toward marketing (Hooley et al., 1990), the behavioural

perspective of marketing orientation stresses on developing firm's capabilities that focus on responding to customer needs and satisfying them, through managing intelligence collection, intelligence dissemination and responsiveness activities (Jaworski and Kohli, 1993).

3. METHODOLOGY

3.1. Instrument

TSPs' attitudes and behaviours were measured by conducting structured interviews using a short questionnaire that is based basically on a scale has been developed by Avlonitis and Gounaris (1997) taking into account Hooly et al. (1990) proposed marketing typology.

Forty eight respondents were asked to express their agreement or disagreement to the twenty eight questionnaire items; fifteen items (A1,A2.....,A15) measured the attitudinal marketing orientation and other thirteen items (B1,B2,...B13) assessed the behavioural marketing orientation, presented by the seven-point Likert-type scale (1 = strongly disagree; 7= strongly agree).

The targeted population was the four TSPs in Jordan and their abbreviations as follows: Zain Group /Jordan (Z), Jordan Telecom Group / Orange Jordan (O), Umniah Mobile Company (U) and XPress Telecommunications (X).

3.2. Measurement of Performance

In this research, the subjective approach was adopted for measuring firms' competitive advantage presented in quantitative absolute values and growth rates of marketing and financial indicators. Both of ARPU (average return per user) and market share of the year 2009 compared with recorded values in 2006 for the growth rate were used in evaluating process. The using of growth rates of marketing and financial indicators in addition to the absolute values of ARPU and market share enables evaluating TSPs real performance and firms' efficiency in achieving financial and marketing goals within considerable period.

Simultaneously, in addition to market share and its growth rate as marketing indicators, ARPU was adopted for measuring financial performance because of its common usage in telecommunication markets, and its availability as secondary data.

4. FINDINGS

The values of Pearson correlation between the degree of each item and the total degree of the sub-dimension it belongs to, this procedure was used to check for

construct validity. The related probability values were less than 0.05 indicating significant correlation values concluding good construct validity for each item in each dimension.

4.1. Marketing Orientation as a Attitudes (TSPs` Typology)

As it is shown, table (1) indicates the results of means and standard deviations for the different attitudes toward marketing; marketing philosophy, market analysis and adaptation, sales support, departmental marketers or who has misconception about marketing as culture, by each telecommunication services provider (TSP).

Regarding to marketing philosophy criteria which consider marketing as firm culture with prime responsibility for identifying and meeting customers' needs, and see marketing as a guiding philosophy for the whole organization, TSP (U) has ranked first by a mean of 6.2 (out of a maximum rating value of 7 indicating the maximum respond rating on Likert-type scale , 1 = ``strongly disagree`` to 7 = ``strongly agree``), presented in three sub scales measuring different aspects of marketing philosophy attitude ; A3, A7and A8.

Table1: Means and SD for marketing orientation`s attitudes

Marketing Orientation Attitudes	TSP (Z)		TSP (O)		TSP (U)		TSP (X)		Total companies	
	M	SD	M	SD	M	SD	M	SD	M	SD
Marketing Philosophy	(3) 5.78	0.58	(2) 6.06	0.51	(1) 6.20	0.53	(4) 4.53	0.83	5.66	0.89
Market Analysis and Adaptation	(4) 5.52	0.80	(2) 5.94	0.42	(1) 6.43	0.69	(3) 5.63	1.04	5.89	0.80
Sales Support	(4) 4.33	0.79	(2) 5.67	0.44	(3) 4.50	1.83	(1) 6.35	0.94	5.26	1.35
Departmental Marketers	(3) 4.30	0.54	(1) 5.83	0.30	(4) 4.27	1.47	(2) 5.47	0.69	5.02	1.09
Unsuers (misconception)	(3) 3.39	0.44	(1) 5.96	0.50	(4) 3.23	1.08	(2) 4.35	0.64	4.34	1.33

TSP (O) ranked second by a mean of 6.06, then TSP (Z) ranked third by a mean of 5.78 and TSP (X) ranked the last by a mean of 4.53.

TSP (U) is ranked first according to market analysis and adaptation criteria by a mean of 6.43 while TSP (Z) ranked the last by 5.52. According to who consider marketing as sales support function, TSP (X) the first by a mean of 6.35, followed by TSP (O) and TSP (U), while TSP (Z) was ranked the last by 4.33.

TSP (O) is ranked first regarding departmental marketers components by a mean of 5.83 followed by TSP (X) and TSP (Z) by means of 5.47, 4.30, while TSP (U) was ranked the last by a mean of 4.27.

The last criteria examines overlapping and misconception toward marketing. TSP (U) was ranked last by a mean of 3.23 which indicates TSP (U) high inclination toward marketing, TSP (X) ranked the second by a mean of 4.35 then TSP (Z) ranked third by a mean of 3.39, while TSP(O) ranked first by a mean of 5.96.

4.2. Marketing Orientation as a Behaviour

Table (2) represents the results of means and SD for items related the three behaviour components: intelligence generation, disseminations for intelligence activities and responsiveness to intelligence feedback, which constitutes the measurement, tool for TSPs` overall behavioural marketing orientation.

Table 2: Means and SD for marketing orientation /behaviour components

Marketing Orientation Behavioural Components	TSP (U)		TSP(O)		TSP (Z)		TSP (X)		Total	
	M	SD	M	SD	M	SD	M	SD	M	SD
intelligence generation	4.50	0.92	2.31	0.63	4.78	0.75	4.20	0.64	3.85	1.24
Dissemination	5.38	0.91	3.03	0.77	5.31	0.58	4.86	0.96	4.55	1.28
Responsiveness	5.80	0.40	5.52	0.46	5.14	0.79	4.83	0.99	5.34	0.76
Marketing Orientation Behavioural (Total)	(1) 5.23	0.50	(4) 3.62	0.31	(2) 5.08	0.49	(3) 4.63	0.67	4.58	0.82

TSP (U) has ranked first by a mean of 5.23, TSP (Z) ranked the second by a mean of 5.08, then, TSP (X) ranked third by a mean of 4.63 while TSP (O) ranked the last by a mean of 3.62.

4.3. Integrated (Attitudinal-Behavioural) Marketing Orientation

Marketing orientation ``integrated approach`` includes the combination of both perspectives: the attitudinal and the behavioural. While the attitudinal marketing orientation is presented by marketing philosophies scales, the behavioural marketing orientation reflects the total output of the three sub-dimension behavioural aspects: generation, disseminations and responsiveness for intelligence.

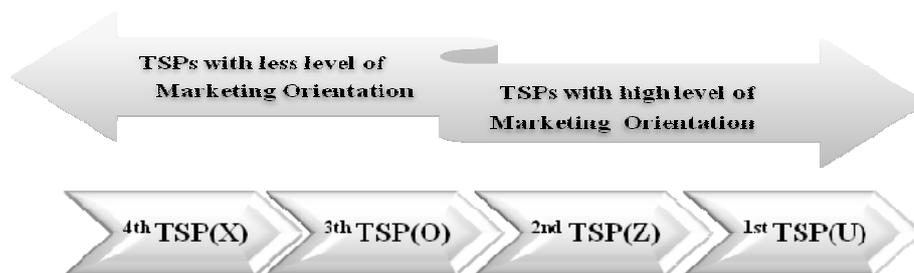
While figure (1) classifies TSPs regarding to adopted levels of integrated marketing orientations, table (3) displays TSPs marketing orientations in more details: TSP (U) has ranked first by a mean of 5.35, TSP (Z) ranked the second by a mean of 5.13, TSP (O) then ranked third by a mean of 4.81 and TSP(X) ranked the last by a mean of 4.65.

According to the results of analysis made for assessing the relationship between firm`s adopted level of marketing orientation and the achievement of competitive advantage, it is clearly could be proved that, there is a high association between the adoption of high level of marketing orientation and TSP`s ability in achieving competitive advantage reflected in superior performance.

Table 3: Means and SD / integrated marketing orientation components

Integrated Marketing Orientation	TSP (Z)		TSP (O)		TSP (U)		TSP (X)		Total	
	M	SD	M	SD	M	SD	M	SD	M	SD
Attitudinal Aspect (Marketing Philosophy)	5.78	0.58	6.06	0.51	6.20	0.53	4.53	0.83	5.66	0.89
Behavioural Aspect	5.08	0.49	3.62	0.31	5.23	0.50	4.63	0.67	4.58	0.82
Total	(2) 5.13	0.42	(3) 4.81	0.26	(1) 5.35	0.43	(4) 4.65	0.51	4.97	0.48

Figure 1: Classifying of TSPs /Integrated Perspective



The first reading of the above results demonstrate that, TSPs who have high level of integrated marketing orientation (attitudinal-behavioural) are more able to build competitive positions basing on the distinguished performance indicators recorded during the period 2006-2009. While TSP (U) was ranked first according to integrated marketing orientation criteria, and could enrich its market share by 75% which influenced ARPU growth rate positively too, TSP (X) had many marketing and financial difficulties.

TSP (X) was ranked last according to the integrated marketing orientation measurement, ranked last according to the attitudinal aspect and ranked third according to the behavioural criteria. It was clear that TSP(X) is characterized as the lowest marketing orientation TSP in the market place. TSP(X)` market share was only 2.5 % in 2007 which declined to less than 1% of Jordan telecommunication market share by 2009. Both TSP(X)` marketing and financial indicators were unsatisfactory.

Table 4: TSPs` performance indicators (2006-2009)

TSPs Performance Indicator	TSP (O)	TSP (Z)	TSP (U)	TSP (X)
ARPU (2009)	USD 11.35	USD 16.5	USD 12.85	Unsatisfactory Performance indicators
ARPU growth rate	-3%	-17.6%	+21%	
Market share (2009)	29%	43%	27%	1 %
Market share growth rate	+36%	-15%	+75%	Market share was only 2% in 2008 and 2.5 % in 2007)

Source: TSPs` official web sites.

It could be argued that, compared to other competitors, TSP(X) competitive position was the weakest in the market place.

However, TSP (Z) market share declined by 17.6% during the period 2006-2009, the firm stills has the highest market share (43%) and the highest ARPU (USD 16.5) too. TSP (Z) is seen as marketing oriented firm which was ranked second regarding integrated marketing orientation measurement.

7. CONCLUSION

The study has clearly confirmed the association between firm`s inclination toward marketing as an organizational philosophy and managing sustained competitive advantage.

Results of this study indicated that, TSPs with high level of marketing orientation (attitudinal and behavioural) who consider marketing as a guiding philosophy for the whole organisation with prime responsibility for identifying and meeting customers` needs have the capabilities to manage firms` recourses and skills advantageously and to achieve superior performance resulted in maintain sustained competitive advantage.

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