

Comparing Market Orientation Scales: A Content Analysis

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Content analysis was used to compare the MKTOR and MARKOR market orientation scales in relation to the theoretical position that originally inspired their development. The underlying meanings of each scale appear to be significantly different. MARKOR integrates an organizational view of market orientation and develops an assessment the firm's potentiality. MKTOR is more centered on the customer orientation and exhibits a "check list" approach.

Keywords: market orientation scales, MKTOR, MARKOR

Introduction

Market orientation constitutes one of the most stimulating marketing and organization topics this last decade. A growing number of contributions have been devoted to the operationalisation of the concept and to the exploration of the links between market orientation phenomenon and business performance, strategic orientations, sales force management. In these contributions, the most widely used scales, MARKOR, developed by Kohli, Jaworski and Kumar (1993) and MKTOR, developed by Narver and Slater (1990), are often used without further examination. A conformist use of the market orientation scales prevails.

Nevertheless, parallel to this academic enthusiasm, certain contributions raise doubts concerning the validity of existing scales and also concerning the concept delineation. From the statistical viewpoint, MARKOR's reliability is lower than MKTOR (see Pelham 1993; Pelham & Wilson 1996); moreover it does not achieve a simple factor structure. The authors themselves admit that the validity of the scale is fragile. When examined rigorously (Sigauw & Diamantopoulos 1994) the measurement model of MKTOR is poorly adjusted. The most recent studies show that neither of the two scales can be used in their original form (Farrell & Oczkowski 1997, Oczkowski & Farrell, 1998).

From a conceptual standpoint, Dreher (1993) demonstrates that an original ambiguity exists concerning the nature of the market orientation phenomenon: is it a business philosophy or a set of activities? If considered as a business philosophy, then what is exactly a business philosophy? Gabel (1995) argues that the domain specification of the concept is not clear and well circumscribed. Further, the operationalisation of the concept presents several insufficiencies in comparison with the Churchill's paradigm (Churchill 1979) which entails, in addition to the fundamental specification of the domain of a construct, the generation of a large sample of items and an iterative purification procedure with several data collections.

I propose to contribute to the debate by using a different approach. Instead of using statistical analysis of the scales, I propose a content analysis of the scales in order to explore their semantic dimensions, to see whether they conform to the seminal definitions proposed by their authors.

Method

The analysis employed the following classical procedure (Bardin 1993). The MARKOR and MKTOR scales were collected from published articles (MARKOR: Kohli, Jaworski & Kumar 1993 p476; MKTOR: Narver & Slater, 1990, full items cited in Farrell & Oczkowski 1997 p6).

For each scale, the scale items were merged into a corpus, and a count made of the total number of words in of each corpus (called "occurrences" and symbolized by the indicator O), and of the number of different words, called 'vocables' (V). The ratio O/V is used as an indicator of the richness of the vocabulary. The smaller the ratio is, the richer and more varied the vocabulary is.

Next, the most frequently used words were identified. This information shows the major focus of the scale and is compared to the theoretical definitions of the authors. Then, the verbal forms of the items were examined in order to evaluate the perspective adopted by the scales.

Lastly, we extracted the most significant themes contained in the two scales. For this purpose, we examined synonymous words and also precedents and followers of the most frequently used words.

Results and Discussion

The results of the content analysis are presented in Table 1. The findings are discussed from two different standpoints: from an intra-scale perspective with a comparison between the definition and the scale; and from an inter-scale perspective with a comparison of the two scales.

Intra-scale analysis

(a) MKTOR scale

Narver and Slater (1990) describe the market orientation concept as encompassing three components: customer orientation, competitor orientation and inter-functional coordination. Although these three components are present in MKTOR, it appears clearly that customers' orientation is almost twice as important as competitor orientation or inter-functional coordination. The over-representation of the customer orientation has been criticized by Kohli, Jaworski & Kumar (1993). Therefore from the analysis of the most frequently used words, it can be said that MKTOR tends to be a measure of customer orientation rather than market orientation. The analysis of the themes qualifies this first analysis and shows that strategic aspects are also important in this scale. Nevertheless it is not clear whether it really counterbalances the predominance of the customer orientation component.

Narver and Slater also underlined the cultural nature of the market orientation phenomenon (Slater & Narver 1995):

“market orientation is the culture that (1) places the highest priority on the profitable creation and maintenance of superior customer value while considering the interest of other key stakeholders ; and (2) provides norms for

behavior regarding the organizational development and responsiveness top market information ” (p67).

When referring to this more recent definition, we see that MKTOR does not take into account the cultural dimension of market orientation, or its stakeholder dimension. With this recent definition provided by authors, the disjunction between the concept definition and the concept operationalisation is almost total. Also, from a formulation point of view, the verbal forms are exclusively present tense which gives a punctual, cross-sectional aspect to the scale.

Table 1. Content Analysis of Market Orientation Scales

	<i>MKTOR</i> <i>Narver and Slater</i> <i>(14 items)</i>	<i>MARKOR</i> <i>Kohli, Jaworski, and Kumar</i> <i>(final scale, 20 items)</i>
number of occurrences (O)	171	355
number of vocables (V)	90	133
O/V (vocabulary richness index)	1.9	2.67
Verbal forms :		
% infinitive	-	32.5
% present	100	57.5
% future	-	2.5
% conditional	-	7.5
% past	-	-
Most frequent terms (frequency indicated in brackets)	<ol style="list-style-type: none"> 1. customer/s (10) 2. competitors/tive (5) and business (5) 3. strategy/ies (4) 4. management/ers (3), needs (3) and functions (3) 5. value (2), satisfaction (2), information (2), undantand/ing (2), create (2), target (2) 	<ol style="list-style-type: none"> 1. customer/s (10) 2. business unit (7), department (7) 3. products (6) 4. changes (4) and competition (4) 5. services (3), needs (3), market (3), slow (3), respond/se (3)
Extracted Themes	<ul style="list-style-type: none"> • attitude concerning clients • positioning concerning competitors • strategy elaboration 	<ul style="list-style-type: none"> • needs and wants of consumers, customer satisfaction • changes screening and scanning • time management (periods, regular meetings, surveys) • departments behaviors within the whole organization

This analysis suggests that MKTOR is mostly appropriate for evaluating a firm's current commitment toward its customers. In that respect, it might serve as a diagnosis tool.

(b) MARKOR scale

Kohli & Jaworski (1990, 1993) and Kohli, Jaworski & Kumar (1993) indicate the

“market orientation refers to the organization wide generation of market intelligence pertaining to current and future needs of customers, dissemination of intelligence within the organization, and responsiveness to it. Key features of this integrated view are (1) an expanded focus on market rather than customer intelligence, (2) an emphasis on a specific form of inter-functional coordination with respect to market intelligence and (3) a focus on activities related to intelligence processing rather than the effect of these activities.” (p468).

Kohli and Jaworski differ from Narver and Slater with regard to the use of a cultural dimension, nevertheless the components of market orientation are apparently similar. They argue that the organizational dimension (information sharing, interdepartmental coordination) is crucial. They also point out that market orientation is concerned not only with present but also future needs of customers.

Their operationalisation tends to be largely consistent with their theoretical proposals: "customer/s" constitutes the most frequently used word but the words 'business unit' and 'departments' are also common, indicating an organizational preoccupation. The product preoccupation, although not explicitly mentioned in the definition, appears to be central. However, this is consistent with the idea that it is the product that will materialize the customers' needs and wants.

It should also be noted that the temporal aspect is very apparent in the scale, with words such as: 'slow, in a timely fashion, periodically, at least once a year quarter, future, developments, trends, shifts, short period ...' In fact this theme entails two dimensions: the first concerns the changes in the environment and its scanning; the second concerns the reactivity of the organization. Parallel to this temporal aspect, the verbal forms involve future and conditional formulations (for instance: "if a major competitor were to ... we would implement..." or "even if we came up with a great... we probably would not be able to implement it in a timely fashion"). This gives a 'scenario' tone to the scale.

The analysis suggests that MARKOR is mostly suited to an evaluation of market orientation as an organizational phenomenon. It may also be a helpful instrument for assessing a firm's potentialities in terms of ability to respond to external events.

Inter-scale comparison

The two scales were compared on each of the indicators listed in Table 1. With respect to the vocabulary richness ratio, MKTOR appears to be slightly superior to MARKOR. Nevertheless, it should be underlined that in both cases the ratio is very low, indicating that the vocabulary is rather rich and varied. Moreover, it should be noted that the MKTOR is shorter than MARKOR (MKTOR total words represents only 48% of the MARKOR total words). This suggests that the apparent superiority of MKTOR over MARKOR in terms of vocabulary richness is not significant.

With regard to the verbal forms, MARKOR exhibits a more varied structure than MKTOR. The MARKOR scale uses not only present and infinitives but also conditional and future forms which gives a 'scenario' tone to the questionnaire and encourages the respondent to imagine and project into potential business situations. In contrast, the MKTOR scale is structured as a check list and is more factual.

To summarize, the MARKOR scale measures not only the present state of the firm but also its capabilities. It evaluates its organizational reactivity and proactivity, which is not possible with the MKTOR scale. That is, the scenario tone of MARKOR places the respondent in an "as if" situation, leading him or her to evaluate whether the firm would have or would have not the ability or competencies to face such a situation. In contrast, MKTOR employs a check list which encourages binary answers; the described practices either are or are not currently present in the firm.

Strictly speaking, in terms of the most frequent words and themes, the two scales exhibit similarities; the most frequently used words, for instance, are overlapping. However, there are substantial differences when one considers their consistency with their theoretical framework. MKTOR is confined to the three components defined by Narver and Slater, omits the cultural nature of market orientation, and the customer orientation tends to predominate. In contrast, MARKOR presents a richer description of market orientation. The organizational articulation of departments and the whole business unit is emphasized, denoting the idea that market orientation is a trans-organizational phenomenon and not merely a functional one. The fact that the time management is omnipresent certainly constitutes an advantage of this scale, as taking the temporal dimension into account allows for a more sophisticated approach to market orientation.

Conclusion

MARKOR is largely consistent with its definition. The fact that its statistical validity is questionable, which is acknowledged by the authors themselves, should invite researchers to improve the existing instrument or to develop a new instrument that is both reliable and tightly connected with its conceptual foundations.

In contrast, MKTOR is partly consistent with its definition. The three components are fully operationalized, with a predominance of the customer orientation. However, the cultural part of the definition of market orientation is ignored in the developed items.

Clearly, the use of one or the other scale will show a specific theoretical orientation on the part of future researchers, with MARKOR centered on the organizational aspects of market orientation and MKTOR on the customer dimension. In any case, researchers should verify not only the statistical and psychometric characteristics of the scale but also its semantic structure. The method of content analysis described in this paper may help to verify, rigorously, that the generated items are consistent with the scale's conceptual definition.

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