

MARKET ORIENTATION AT HI-TECH COMPANIES: RESULTS OF PRELIMINARY RESEARCH

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Abstrakt v rodném jazyce

Příspěvek se zabývá analýzou a komparací dvou výzkumů tržní orientace. První výzkum byl realizován u společností působících v energetickém průmyslu v roce 2005, předvýzkum u hi-tech podniků v roce 2008. Obě oblasti jsou důležitými odvětvími ekonomiky. Cílem příspěvku bylo poukázat na podobnosti a rozdíly výsledků obou výzkumů. Detailní informace o výzkumu tržní orientace v hi-tech podnicích budou publikovány po dokončení výzkumu. Projekt je podporován Grantovou agenturou ČR (GA 402/07/1493).

Klíčová slova v rodném jazyce

Tržní orientace, hi-tech, výzkum, Česká republika.

Abstract

The paper is focused on the analysis and comparison two researches of market orientation. The first research was realized in energetic sector companies in 2005, the preliminary research was realized in hi-tech companies in 2008. Energetic sector and hi-tech sector were chosen towards their importance role in economics in the Czech Republic. Aim of this article is to show similarities and differentiations of results at both of researches. Detailed information about specific of researches in hi-tech companies will be published after finishing the research. The research project is supported by Grant Agency of the Czech Republic (GA 402/07/1493).

Key words

Market orientation, hi-tech, research, the Czech Republic.

1. INTRODUCTION

The first information about market orientation can be find in Journal of Marketing in the first half of the 90s (see Kohli and Jaworski 1990, Narver and Slater 1990). Papers contained the first approaches to the definition of market orientation, development of measurement methods and statement of proposals connecting market orientation with a business performance. A lot of studies deal with market orientation till now.

Market orientation is based on the marketing concept in the current marketing approach (Drucker, 1954). Along to a lot of empirical researches, market orientation has a positive impact on business performance. This is the reason for detailed analysis of market orientation and possibilities of its implementation (e.g. Dawes, 2000; Gima, 1995; Han, Kim, Srivastava, 1998). It is necessary to know what the term "market orientation" means for better understanding. It was verified that market orientation contains the acquisition, distribution and response of market information. Most of available studies more or less agree with the customer orientation, the competitor orientation and the inter-functional coordination. New approaches mention not only customer orientation and competitor orientation, but whole group of stakeholders as distributors, suppliers, public, employees and other. (e.g. Helfert, Ritter, Walter, 2002; Tomášková, 2005)

The objective of this article is to compare results of market orientation - research realized in 2005 and preliminary research in 2008. It was used the same method for measurement by Tomášková (2005). Aim of this article is to show similarities and differentiations of results at both of researches. Compilation, analysis and comparison are used for the article processing.

2. METHODOLOGY OF RESEARCH AND PRELIMINARY RESEARCH

The research determines market orientation at companies in energetic sector, the preliminary research shows level of market orientation at hi-tech companies. Location for research and preliminary research was the Czech Republic.

For measurement of market orientation was used questionnaire constituted by Tomášková (2005) along the “New Method” for measuring market orientation. The “New Method” includes external environment elements, sectoral environment elements and internal environment elements of a company. Elements of external environment can be further divided to the state, economy and technologies. Elements of sectoral environments are final customers, distributors, competitors and suppliers. The internal environment of market orientation is influenced by the following elements: opinions and approach of top management, organizational structure, strategy of the organization, culture of the organization and employees.

3. MARKET ORIENTATION AT ENERGETIC SECTOR COMPANIES

Energetic sector is very necessary for function whole economics. Energetic sector has important political influence too. Self-sufficiency of energy could be the topic of politics talks. We received results from 18 companies dealing with transport of electric energy and companies dealing with production of equipments for producing of electric energy. The research was realized in 2005. We have used 7 point Likert scale (Tomášková, 2005). The main results show Table 1.

Elements of measurement	Mean of market orientation
External environment (4 items)	5.91
Final customers (7 items)	5.78
Distributors (7 items)	5.78
Competitors (5 items)	5.51
Suppliers (5 items)	5.15
Reflecting the knowledge on the decision-making process (5 items)	5.58
Interfunctional coordination (14 items)	5.95
Total MO	5.74

Table 1: Average values of market orientation degree by elements at companies in energetic sectors

The values of market orientation elements are very similar. Elements “Interfunctional coordination” and “External environment” reach the high value. Suppliers are in the opposite side. Total market orientation has value 5.74.

3.1 EXTERNAL ENVIRONMENT

The high value at external environment could be caused by a lot of norms in this area. There are a lot of state orders. These state orders are realized by public competitions. Item measured different actions to show signification of whole company to public has the highest value (6.28). Item measured cooperation of company with universities has the lowest value (5.3).

3.2 SECTORAL ENVIRONMENT

There is very low number of distributors at researched companies. This element was missed from other analysis. Other specific attribute at this sector is lower orientation to final customers as orientation to external environment. The reason is mentioned above. Item measured regular monitoring of customer requirements shows the highest value (6.06) at final customers. Item measured regular customer satisfaction has the lowest value (5.33).

Competitor orientation is specific too. There are limited subjects offered distribution of electric energy. The reason is not only norms but the high technology and finance demands. Competitor orientation is not as strong as at sectors with large number of companies. Companies try to forecast behaviour of competitors (6.12) but only a part of companies regularly use benchmarking (5.00).

Suppliers got the lowest value of all elements. This situation can be caused by the power of energetic companies; they have the great position of negotiation. The lower number of equipments could be other reason; some energetic companies produce components for their equipments they self. Item measured analysis offer of contemporary and potential suppliers has the highest value (5.78), item measured cooperation companies with their suppliers has the lowest value (4.69).

3.3 INTERNAL ENVIRONMENT

Item measured reflection of gaining information on decision process has the highest value (6.17) at element “Reflecting the knowledge on the decision-making process”; item measured speed of response on customer wishes with comparison of competitors is on the opposite side (4.79).

Interfunctional coordination has the highest mean value of all elements. The size of companies (there are no small companies) could be the reason for it. If the company want to be successful, it is necessary to be flexible and speed. Item measured if every worker know his competences and responsibility has the highest value (6.28), item measured regular analysis of employee comments and item measured prioritize long goals before short goals has the lowest value (5.72). It could be difficult to realize regularly analysis of employee comments because analyzed companies have a lot of employees. The reason for lowest value of the other item could be that short goals have to be filled in short time; long goals have to be filled in longer time – managers have more time to fill. Short goals can contribute to fill long goals.

4. MARKET ORIENTATION AT HI-TECH COMPANIES

Hi-tech technologies contribute to development of economics; they allow increasing of economics performance. We have received results from 12 companies. The preliminary research was realized in 2008. We have used 7 point Likert scale too. The main results show Table 2.

Elements of measurement	Mean of market orientation
External environment (4 items)	4.17
Final customers (7 items)	4.79
Distributors (7 items)	4.56
Competitors (5 items)	4.05
Suppliers (5 items)	4.11
Reflecting the knowledge on the decision-making process (5 items)	4.96
Interfunctional coordination (14 items)	5.64
Total MO	4.61

Table 2: Average values of market orientation degree by elements at hi-tech companies

The values of market orientation elements are lower as companies in energetic sector. Element “Interfuncitonal coordination” reaches the highest value as at energetic sector companies. This value is very high in comparison with value of the rest elements. Reflecting knowledge on the decision-making process is on the second position. Competitors are on the opposite side. Total market orientation has value 4.61.

4.1 EXTERNAL ENVIRONMENT

Two items have the highest value (5.13). The first item measured regularly monitoring changes in the field of laws, social, economic and technological changes and the second item measured regularly identification important opportunities and threats, which could have an impact on business. Item measured cooperation of company with universities has the lowest value.

4.2 SECTORAL ENVIRONMENT

Customers are the main elements from sectoral environment. There is expected result because there are only small and medium companies added to the research. Item measured application individual approach to customers has the high value (6.0); Items measured identification why potential customers do not buy the product has the lowest value.

It is very interesting that competitors have the total lowest value of all elements. The items “regularly strategy analysis the main competitors” and “to realize benchmarking” have the lowest value. Item measured regularly monitoring of customer development has the highest value.

There are a low number of companies with distributors; it is necessary to be careful with the valuation. Value of every statement in area distributors is very similar. The statements are average value in total from 4.2 to 4.7.

The item about regularly discussion about the main problems of suppliers has the lowest value at suppliers. The item measured cooperation of company on new technologies with suppliers has the highest value.

The situation shows that these companies are small and medium size. They do not have enough capital and human resources to all activities which they would like to realize.

4.3 INTERNAL ENVIRONMENT

Both elements of internal environment reach the higher value. Item measured exchange of information among individual departments of the organization is at the first place (6.19). Items measured if every worker knows his competences and responsibilities and if company regularly hold meetings, where we discuss about our successes, inform on new opportunities and threats, set new tasks and discuss with all lower-level managers are at the second place (6.13). The item measured the speed of reaction company at marketing action of competitors has the lowest value.

5. DISCUSSION AND CONCLUSION

There are some differences between market orientation at energetic sector companies and at hi-tech companies. The main difference is connected with the size of companies. The great company has enough financial and human resources to have information about external and sectoral environment. Small companies have advantage in internal environment above all in flexibility and speed response on the decision-making process.

Both researches line out companies are more customer oriented as competitor oriented. Companies in energetic sector and hi-tech companies do not usually have distributors (only 1/3 of companies have distributors). From this reason, it is difficult to analyze this element of market orientation.

It could be interesting the comparison of level of market orientation at energetic sector companies and at hi-tech companies. Along the results, companies in energetic sector are much more market oriented as hi-tech companies. The reason should be that companies in energetic sector are more optimistic as hi-tech companies or large companies should be more market oriented as small companies or the environment is more stable in energetic sector or competition of companies in energetic sector is not as sharp as competition at hi-tech companies.

Results at preliminary research are only pilot. Confirmation our supposition can be realized after finishing research in hi-tech companies. Data collection is in progress now. This paper is based on work done in a research project entitled Research into Implementation of Market Orientation in Hi-Tech Firms. The project is funded by the Grant Agency of the CR (GA 402/07/1493).

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