Market Orientation of Pharmaceutical Companies Executives Towards Market Place

By

Akanksha Negi

Dissertation submitted for the partial fulfillment of the

MBA Pharmaceutical Management

Academic year, 2015-2017

The IIHMR University, Jaipur

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INSTITUTE OF HEALTH
MANAGEMENT RESEARCH
(WHO Collaborating Centre for District Health System Based on Primary Health Care)

IIHMR UNIVERSITY

TO WHOMSOEVER MAY CONCERN

This is to certify that Akanksha Negi of MBA Pharmaceutical Management from The IIHMR University, Jaipur has undergone internship training at The IIHMR University, Jaipur from 5th February, 2017 to 5th May, 2017.

The Candidate has successfully carried out the study designated to her during internship training and her approach to the study has been sincere, scientific and analytical.

The Internship is in fulfillment of the course requirements.

I wish her all success in all her future endeavors.

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THE IIHMR UNIVERSITY, JAIPUR

CERTIFICATE BY SCHOLAR

This is to certify that the dissertation titled **"Market Orientation of Pharmaceutical Companies Executive towards market place"** submitted by **Akanksha Negi** Enrollment No. **IIHMR-U/01/2015-17/0030** under the supervision of **Dr. Sandeep Narula** for award of **MBA Pharmaceutical Management** of the University carried out during the period from **5th February 2017 to 5th May 2017** embodies my original work and has not formed the basis for the award of any degree, diploma associate ship, fellowship, titles in this or any other institute or other similar institution of higher learning.

Akanksha Negi

Signature

THE IIHMR UNIVERSITY, JAIPUR

CERTIFICATE BY SCHOLAR

This is to certify that all ethical issues have been considered while collecting data for my dissertation titled **"Market Orientation of Pharmaceuticals Companies Executives towards Market Place."**

Akanksha Negi

Signature of student

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First of all, I bow in reverence to the Almighty for blessing me with strong will power, patience and confidence which helped me in completing the present work.

I would like to express my special thanks ***Dr. S.D Gupta*** *(Chairman) and* ***Dr. Vivek Bhandari*** *(President) for providing me an opportunity to join his prestigious University.*

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I owe a debt of gratitude to all my teachers for grooming me and my family and friends for the inspiration needed to work with dedication and motivation throughout for completion of this project

I hope that I can build upon the experience and knowledge that I have gained and make a valuable contribution towards the industry in coming future.

AKANKSHA NEGI

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Executive Summary

In today’s competitive world where ferocious competition exists. Increasing global economic market and varied products for consumers, firms are adapting market orientation for staying in competition.. Market orientation is a customer-centered approach for product designing. This ensures customer satisfaction should remain priority within the company and always works in promoting brand.

Study aims to analyze the how and to which level market orientation is a key player in improving performance of an firm with respect to customer value , their assurance towards serving costumer needs, focusing on after sales service, competitor analysis and also the company’s turnover.

The project got started on 1st February after gathering all the appropriate information regarding the project, under the guidance of Dr. Sandeep Narula (Associate professor at The IIHMR University). The first part the project was to study about basics of market orientation, market performance, and customer values. Internet was used as main source of study.

Second part of the project was to design a questionnaire for regional sales managers, national sales managers, brand managers, product managers and general managers. Then the data was collected from the survey which was done by visiting them. Close ended questionnaire and open ended questionnaire was made, further statistical analysis was carried to draw conclusion. The project was completed on 5th May.

Introduction / Background

Dr. Philip Kotler has defined **marketing** as "*the science and art of exploring, creating, and delivering value to satisfy the needs of a target market at a profit*". **Marketing** helps in identifying unfulfilled needs and desires. It defined measures and quantified the size of the identified market and profit potential.

Market orientation has always been regarded as an important component which has shown direct effect on organizational performance. It is consider as the business culture which yields performance by creating greater value to customers. Organizations should focus on innovating in their product in order to compete and perform better in this competitive world. Researchers have provided a useful interpretation of the marketing concept from a behavioral process and have defined it as the generation of market knowledge which is helpful for organization to know its customer current and future needs, using it in across firms and knowing response of organization.

Over a time customer needs and wants has evolved largely and consistently delivering high quality products and services as well as responding to customer needs is now consider important for the success of an organization. Attention to evolving needs of customers results in the innovation in existing products or development of new products. Market orientation is consider as set of various marketing activities required for satisfying the current needs of customer and providing better services from their potential and current competitors.

Market orientation largely focuses on five components:

1) Customer focus

2) Competitor focus

3) Inter functional coordination

4) Long term focus

5) Survival and growth strategies

Researchers defined three dimension of market orientation.

1) Creating evidence regarding the buyers need and external environmental factors.2) Distributing information about market research across all the department of firms.

3) Creating and enforcing strategies with regards to all the market research information.

1. Marketing Concept and Orientation

The concept of marketing is evolving over time. Today **customer** consider as **"king"** but still there are some businesses which put factors as first other than customer .

Four of the common things that firms orientate their marketing around has been perfectly captured in the figure:

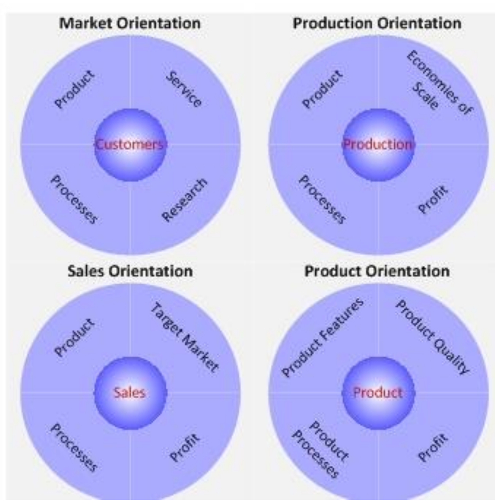


Figure 1: Marketing concept and orientation

Source: Marketing concept www.learnmarketing.net

Market Orientation

For market oriented firm customers are regarded as the "heart" of the organization and thus all the activities are drawn keeping in mind about the customer. A market orientated organization recognizes customer needs and wants, and implements accordingly all the marketing strategies based on their market research, from the process of product development to product sales.

Product Orientation

A product orientated company considers their products of extraordinary quality and well-designed features make their product of superior quality and different. These companies believe that having a superior product quality; will make customers buy it automatically. Problem with this approach is that , there will be no sales of products , if the quality is not matched with according to customer needs.

Sales Orientation

Companies with sales orientation focuses more sales of their product in order to remain ahead of their competitors. Such organization produces products according to their convenience and not according to buyer's needs.

Production Orientation

Such organization focuses on decreasing cost by the method of mass production .A business orientated organization considers that the "**economies of scale**" generated from mass production will help in reducing costs and maximizing profits.

Four Stages of Market Orientation

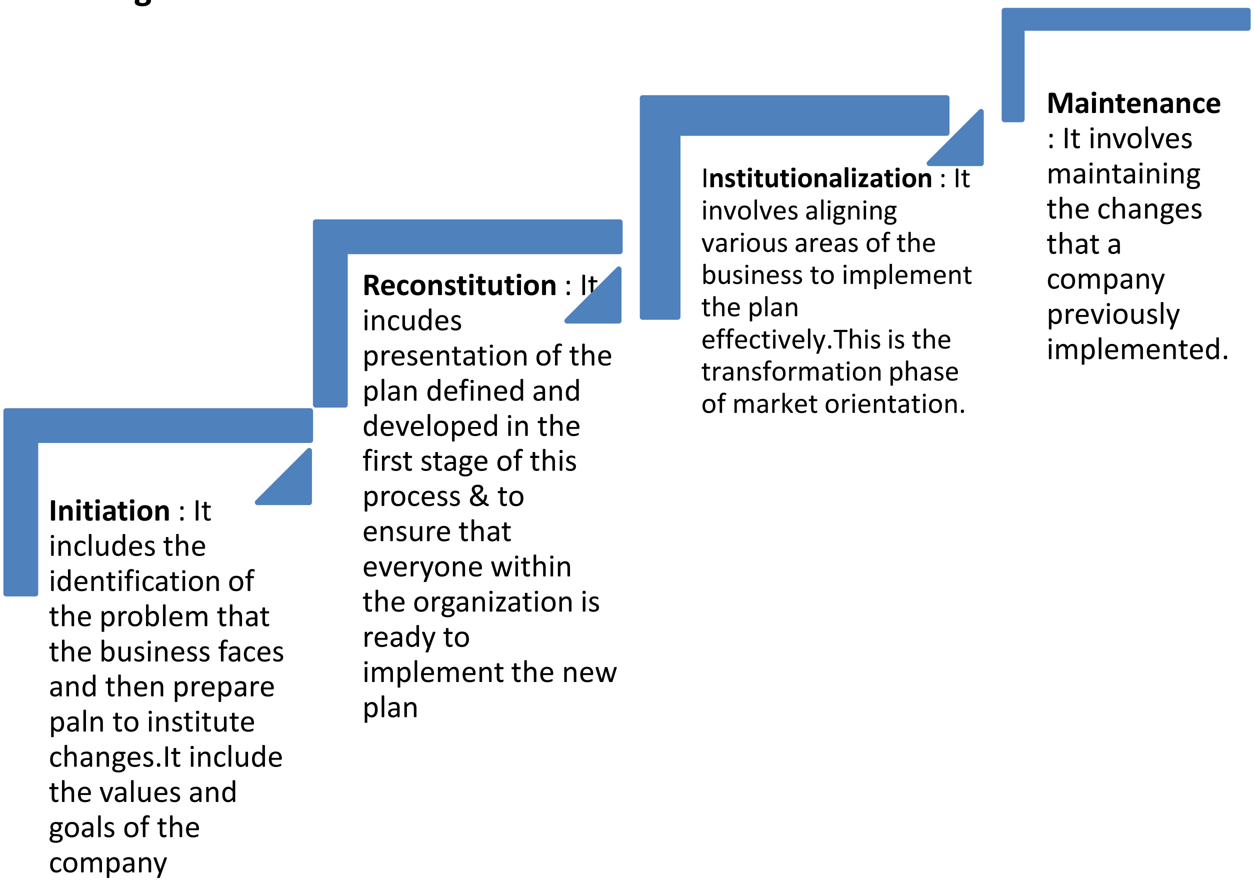


Figure 2 : Four stages of market orientation

1.1 Market Orientation

Marketing concept involves obtaining long term benefits by identifying needs of consumer and then satisfying the needs accordingly.

Researchers has defined market orientation as the culture in which industry efficiently creates products of supreme value for customers and, thus there is continuous cycle of excellent performance by an organization

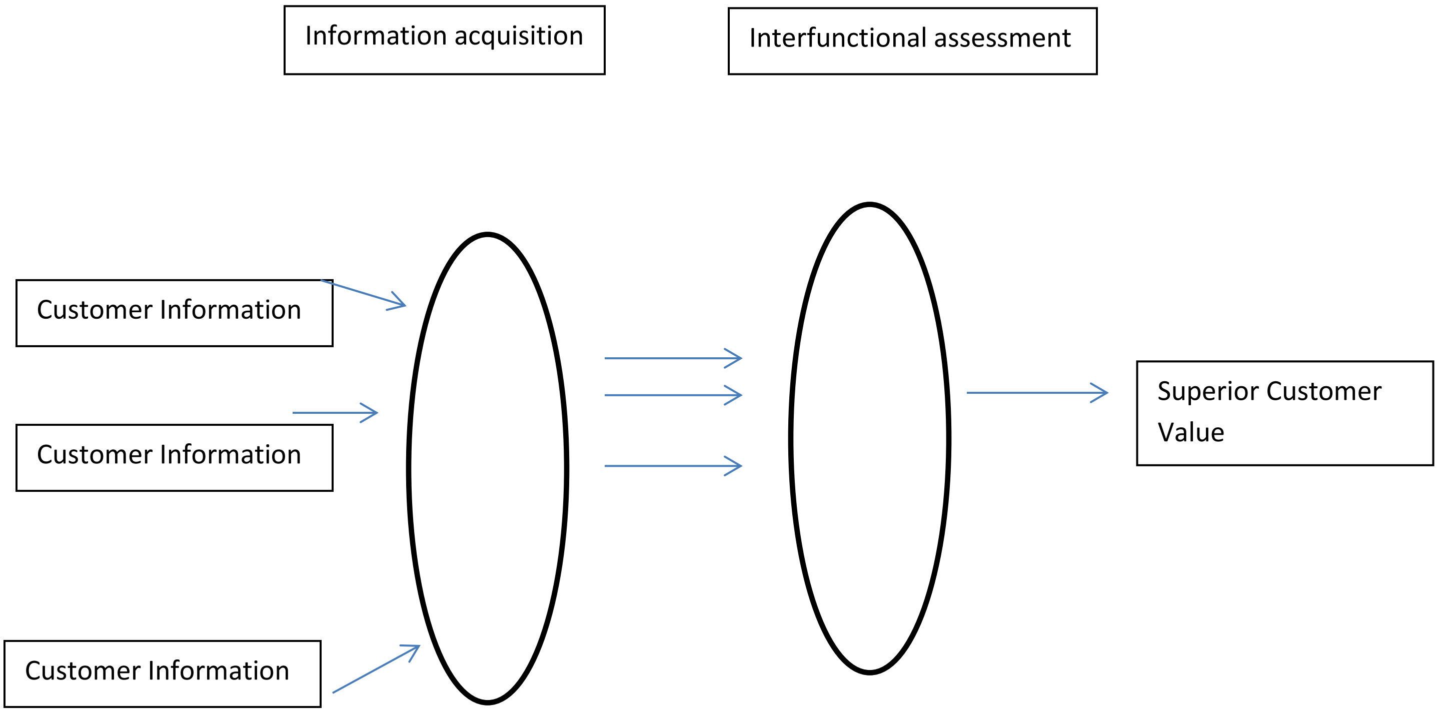


Figure 3 Market Orientation

1.2 Customer Orientation

Customer orientation involves developing a business culture which focuses on delivering customer focus policies. It believes in giving customer as priority in an business. . All approaches are designed in a manner that they focus on delivering best product and there is greater return on investment. It basically talks about having a great knowledge about one's own customer and ultimately it help the organization to develop product that has great value.

1.3 Competitor's Orientation

Competitor's orientation is considered as important element that effects the performance of an organization.. It focuses on knowing the competitors strength and weaknesses along with their strategies and competencies.

Organization should work on knowing their competitors strengths and weaknesses and also how they respond to buyers changing needs. After having complete knowledge about competitor's strategies, firm can easily place their product.

Organization should struggle in order to remain forward from their competitors by responding promptly to their competitors pricing and promotion strategies.

1.4 Inter functional coordination

New concept called inter functional coordination has been developed in field of market orientation. -It refers to the coordination of all the departments and their functional area keeping in mind the customer in order to create value for customer by gathering information through market research. Researcher's implementation has helped in the success of the firm. In an organization, front-line employees plays and important role. They represent the organization as they contribute by actively meeting with the customers. Interaction with customer has now become important for the service industry as it helps to measure the customer satisfaction level.

1.5 Market Orientation and Firm Performance

Research shows that company performance is linked to market orientation. Studies say relation between market orientation and profitability is directly proportional, but market orientation link with innovation seemed to be more complex. Market orientation role in Industry performance is largely dependent on favorable environmental condition. So indeed, market orientation should be the prime focus for the organization with eagle eye on environmental events, which had the ability to influence and increase customer satisfaction in relations to market competitors.. Some researchers suggest that market orientation role in minimized in turbulent environments. For example it reduces buyers and market competitor orientation effect on innovative aspects of organization performance. However some research shows that environment do not impact strength of profitability link between market orientation and organization performance. It help firm to develop and implement market oriented strategy based upon feedback of the market and successfully adapt to environmental changes. . However market orientation helps in keeping the firm on a safe side, alone, it may not help firm in achieving strong market position for the firm. Firms consisting of both market orientations and learning may be on top in responding environmental events through learning and excellence that enables innovative and adaptive marketplace behavior.

Regarding market orientation and performance link, there are ample amount of systematic studies examining its positive impact on organization. Literature about marketing knowledge shows that while developing products if customer needs are implemented in a planned way, it would bring phenomenal result for the organization. However researchers said that the market orientation is directly related to firm performance, more the orientation, more the performance. The larger the overall performance and this relationship can be weakened with various like weak economy, market turbulence and competition.

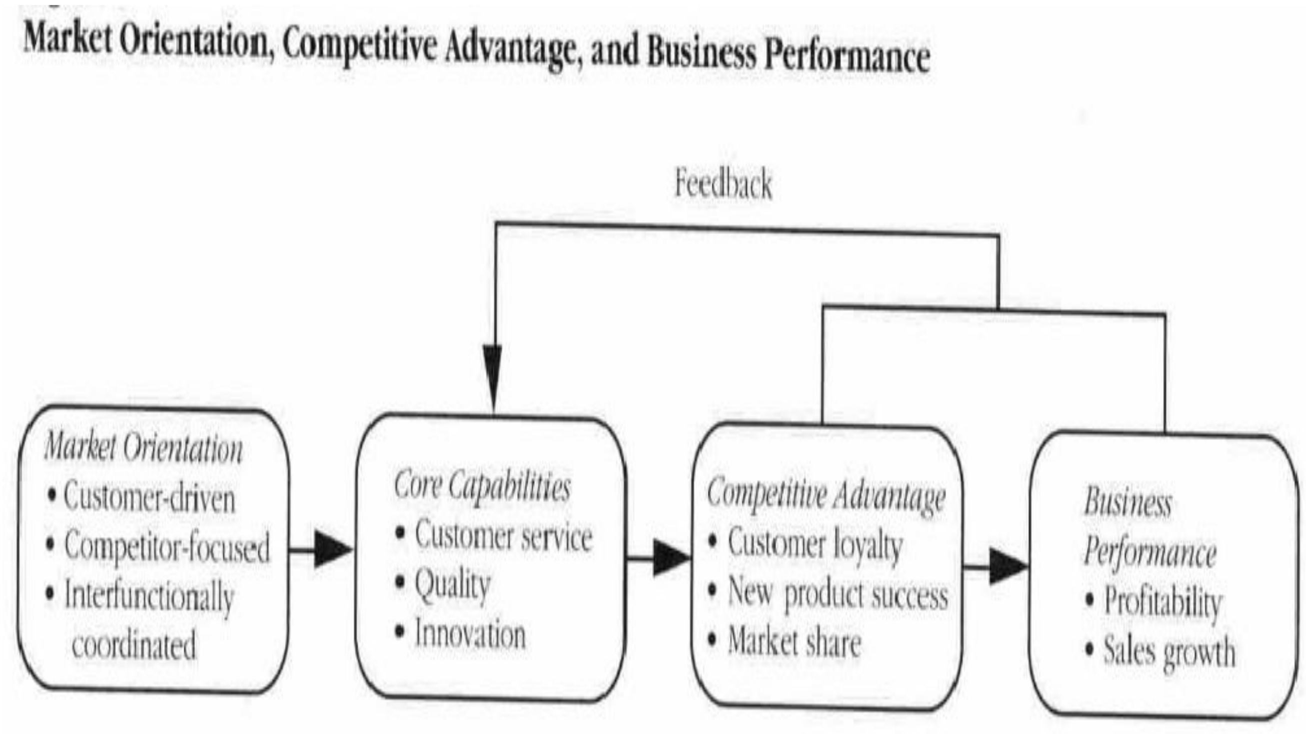


Figure 4 : From market orientation to Superior customer value

1.6 Value Creation

A value creation perspective is essential so that a firm can enhance its level of customer or competitor orientation as per the value desired by the target customers. Recent market orientation literature shows increased interest in exploring firm-specific organizational processes and capabilities that result in value creation. These processes regulate the firm's resources toward creating economic, relational and technical/functional value or a combination thereof, Customer's expectations of a firm's offering could be in terms of the quality of products/services delivered, the product/service experience, price charged for the offering and the extent to which a transaction resulted into a mutually beneficial experience for both parties.

Researcher have described market orientation as unidimensional concept having three behavioral sub- components i.e. customer orientation, competitor orientation and coordination and these all components are responsible for the success of the firm and it directly effects the firm performance. Some researchers do not agree with this concept.

Studies have revealed that firms working with different strategies such as low cost or differentiation develop different resources in order to become successful in their chosen strategy. Thus, answer to a question – Does a firm should develop customer orientation at the same time, while developing competitor orientation will be it depends on choice of value discipline of a firm.

2 Need for study

Studies conducted about market orientation and organization performance reported showed strong link between market orientation and performance through various analysis. Though, there are studies which showed no effect on performance of the company thus giving inconsistent results. This resulted in further studies for inconclusive finding that are presents.

There is high need for pharmaceutical companies to adopt concept of market orientation in order to respond back to changing environment of businesses.

Another reason for further studies is, the findings are insufficient to draw a perfect conclusion and this has always been ignored. Always there remain some gaps which make development of economies to suffer

3 Literature Review

Relating strategic market orientation and market performance: role of customer value types

An important study tells that a service provider achieves competitive advantage by configuring appropriate strategic orientation and customer value type. It proposes that a strategic market orientation pursued by a firm shall influence the customer value it intends to offer so as to maximize the market performance. Results of survey from 538 bank customers revealed that, there exists a positive link between strategic market orientation and values perceived by customer, and thus firms should work on making value fit strategy and consider optimal market outcomes as customer satisfaction, acquisition, and retention, cross selling and up selling. Firms will have maximum level of market performance if it pursues both customer and competitor orientation and endeavors to deliver technical/functional value to its target customers. (Gurjeet Kaur Sahia, 2016)

Customer Orientation and Firm Performance among Nigerian

Study was done to know the relationship between performance of firm and market orientation in SME (Small and medium scale businesses). Study tells about the positive relation between both in reference to SME. It tells how the moderating effect of market information system and managerial approach shows impact on market orientation and performance of firm. The results showed that both effect the relationship and conveyed in order to achieve customer advantage in this business environment it's important to focus on customer orientation for survival and to have competitive advantage. (Asikhia, 2010)

Market Orientation and Performance: Does Organizational Strategy Matter

Study on 159 hospitals was done to test the link between market orientation and firm's performance with respect to low cost and differentiation strategies. Study showed hospital persuading differentiation strategy tends to have strong market orientation with respect to that hospital focusing on cost leadership strategy. Thus, differentiation strategy tends to show more positive impact because customer and competitor orientation are responsible for the firm performance while in cost leadership strategy inter functional coordination significantly affects the firm performance. . (Kamalesh Kumar)

The Relationship between Strategy Orientation and Marketing Performance: The Role of Organizational Change Capability

Study conducted on various sectors of industry mainly SMES's of Indonesia. It shows that there is significant influence on performance and technological innovation because of customer and competitor orientation, but while advancement in technology impacted negatively on market performance. Influence of research on customer needs is moderated than technical innovation due to change in organization, but does not impact competitor on technological front.
(Darmanto, 2014)

The Effect of Alternative Market Orientation Strategies on Firm Performance

Different studies have showed the importance of customer and competitor orientation in developing market orientation. On study conducted on 269 beef farms showed the effect of innovativeness, cost on firm performance. They analyzed the effect of these component on one another and their effect on performance of firm. (Hamish Gow, 2012)

How Does Market Orientation Affect Business Relationships?

Studies indicates a link between success and organization market orientation becomes weak , so need of moderating variables becomes priority becomes sometimes weak and thus moderating variables are needed to be considered at least under certain circumstances. In most of the cases the firms' "surroundings" should be regarded as a network of inter functional relationships rather than an unknown market. In this study the market orientation is explored keeping in focus inter-functional relationships. It has always been argued that the relationships are important and overall market orientation of firms has to be translated in order to be effective. Impact of relationship task performance on relationship effectiveness is positive. Service providers which are supposed to interact intensively with their customers, is that market orientation needs to be translated into relationship management tasks. Market orientation has to be seen as task of relationship management with customers and service providers should interact with customers regularly. Therefore, firms should focus on relationship level along with corporate level of market orientation. (Gabriele Helfert)

Examining the determinants of interfunctional coordination and export performance: An investigation of Brazilian exporters

Interfunctional coordination plays an important role in the performance of the firm, literature has largely ignored it compared to the other two market orientation components: customer orientation and competitor orientation. A study was conducted on 201 senior export managers of Brazil in order to test hypothesis Results showed that for interfunctional coordination there is a need of legal rules and regulation, technological innovation, competitiveness. It further added that different stages of PLC has negative impact on inter functional coordination. Thus, for positive performance there must be interfunctional coordination. (Carlos M. P. Sousa, 2011)

Market Orientation and Business Performance among SMEs in Ghana

Over past two decades studies, researchers have shown the positive effect of market orientation on performance of firm. However, it's seen in previous studies application of market orientation on large scale firm has more emphasis. Articles were published on the market orientation pattern recently by researchers for different industries. Yet researchers have not concluded anything about the application of market orientation on small enterprises. Studies have shown that SME should focus more on customer needs, competitors new strategies and respond to market intelligence in for surviving technical and financial constraints. Study was done on 191 Ghanaian Small scale firms whose results showed that market orientation depends on behavior of managers and continuous competitive conditions is important for the greater performance of firm in market orientation. Thus is a call for further study. (Mahmoud, 2011)

Market Orientation and Firm Performance in Emerging Markets

Impact of market orientation on organization performance has been analyzed in different ways over past several years. Most of analysis has supported its role in different aspects such as increased firm performance, encouraging innovativeness, and establishment of market –driven organizations. However analysis doesn't include developing countries, study has taken place under typically predictable environments in developing countries. Research shows the analysis of the effects which innovation in this typical external environment such as rising markets , competition , government regulations and technological advancement have on firm performance . In the study, 147 managers from manufacturing firms throughout Kenya were surveyed. Analysis of data was done using moderated regression. Results implicates that market orientation –has positive impact on innovation , which in turn implicitly improves performance, and environmental forces negatively moderate the link between innovation and performance .

4 Aim:
The aim of this study is to examine the market orientation of pharmaceutical companies

5 Objectives:

1) To develop a measures of Market Orientation in context to Pharmaceutical Industry.

2. To determine the factors affecting the Market Orientation of Pharmaceutical Industry.

3. To identify dependent and independent variables affecting the Market orientation in context Pharmaceutical Industry

6 Material and Methodology

Study area: India

Study design: Descriptive study

Sampling: Purposive sampling

Sample Size: **80**

Sample Population

It includes all top management people (General Managers, National Sales Managers, Zonal Sales Managers, Brand Managers, and Therapy Managers

Study Duration

3 month (5 February ‘2017- 5 May 2017)

7 Material and tools

Data type: Primary data

Data was collected through designed structured questionnaire and Likert's scale responses and reactions made by manager were only after reading the informed agreement.

Seven point Likert's scale is used for collecting responses from managers.

There are five sections in the questionnaire: 1) Customer orientation 2) Competitor orientation 3) Inter functional coordination 4) Long term focus 5) Growth focus.

Data Collection Tool:

The questionnaire form was designed using Google forms and the responses were compiled in Excel sheet and SPSS.

Data Analysis Method

Method used were :

Analysis of Variance

Multiple regression

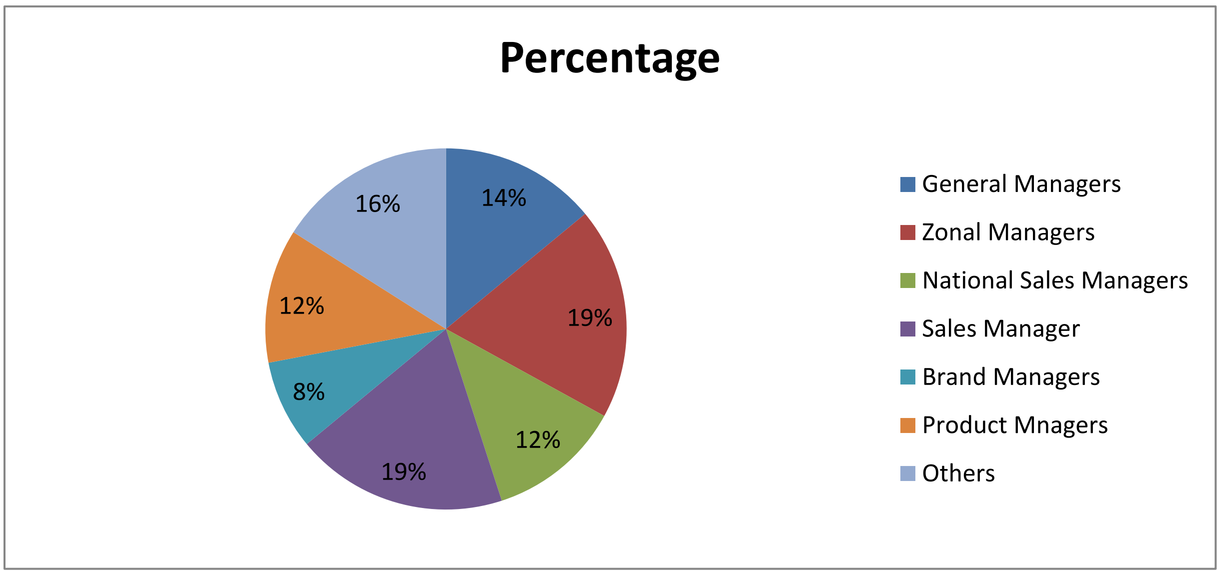
Data Management and Analysis

i. Designing of tools
ii. Pretesting and finalizing of tools
iii. Giving the description of the study to the respondents and taking their consents.
iv. Filling up the tools
v. Data entry and analyzing the data.
vi. Concluding the results and compiling the report and submission of final copy.

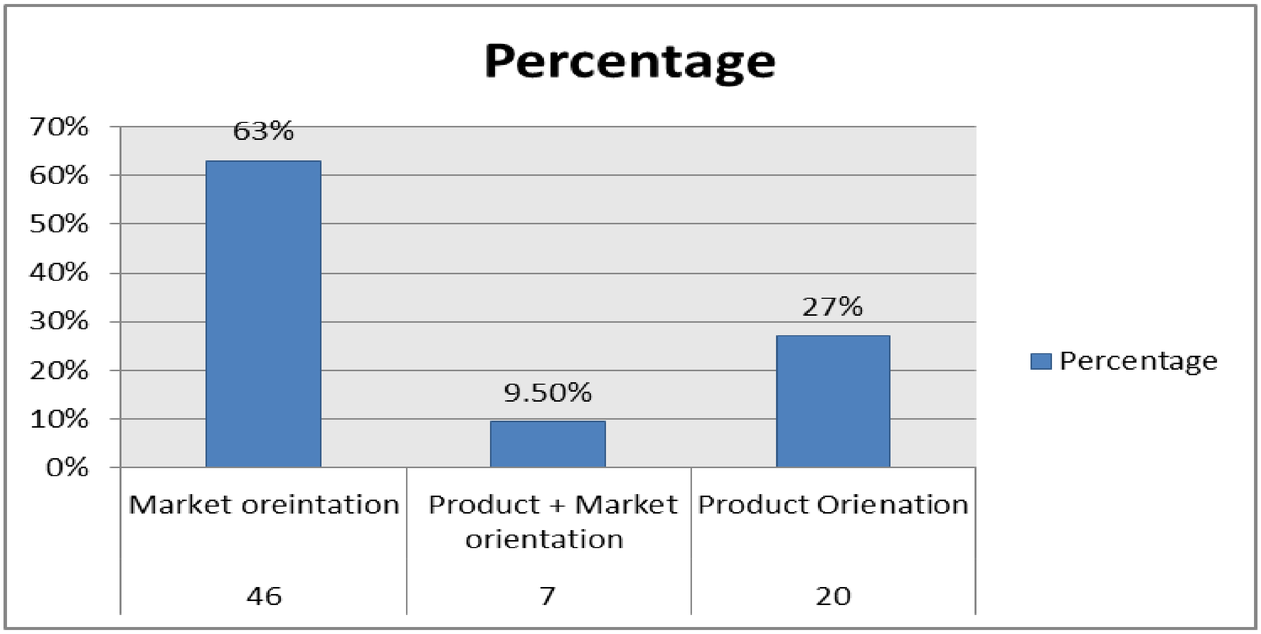
Ethical consideration:

Before collecting the primary data and responses from the medical reps and their respective manager, informed agreement/Consent is taken from the respondents and the proposed informal agreement is provided by IIHMR University for conducting Capstone project as a part of academia of MBA Pharmaceutical Management programme.

Graphs 1 : No of respondent



Graphs 2 : Percentage wise respondent distributions



Graphs 3 : Company's market Orientation

8 Data Analysis

Factor analysis is a method of findings factors among observed variables. It is mostly used when data contains more than one variable as it reduces the number of variables. In this analysis factors with same characteristics form a single group together. In this method, small number of factors can be obtained from large variables that help out in explaining observed variance. Reduced factors are used for further analysis.

Regression analysis is a statistical method use for determining the relationship among variables. It involves various techniques for analyzing various variables and relationship between dependent variable and more than one independent variables.

- Kaiser-Meyer-Olkin (KMO) test measures how suited your data is for **Factor Analysis**
- It is the ratio of number of statement to the number of respondent.
- The test measures sampling adequacy for each variable in the model and for the complete model.
- KMO values between **0.8 and 1** indicate the sampling is adequate.
- This step is the first output of factor analysis that help in validating the questionnaire

Kaiser-Meyer-Olkin measure of sampling adequacy.		0.898696777
Bartlett's Test of Sphericity	Approx. Chi-Square	1199.903594
	df	253
	Sig.	0.000000

Table 1: KMO and Bartlett's Test

Sampling adequacy of measures is 0.898 for the given tool which highly adequate the standard value for KOM should be higher than 0.5

Bartlett’s test represents the significance of hypothesis which is 0.00 that is highly significant.

Anti-image Matrices measures KMO value for individual statement.

Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12	Q13	Q14	Q15	Q16	Q17	Q18	Q19	Q20	Q21	Q22	Q23	Q24	Q25	Q26	Q27
0.93	-0.36	0.12	0.02	-0.04	-0.20	-0.13	-0.03	0.13	0.09	-0.03	0.00	0.12	-0.04	-0.21	-0.05	0.04	0.01	0.04	0.01	0.08	-0.10	0.03
-0.36	0.84	-0.53	-0.08	0.04	-0.14	0.27	0.05	-0.19	-0.03	0.19	0.16	-0.20	0.08	0.16	-0.21	0.16	-0.45	0.02	0.12	-0.04	-0.03	-0.27
0.12	-0.53	0.84	-0.09	-0.11	0.04	-0.28	0.10	0.02	-0.05	-0.17	-0.05	0.16	-0.21	0.11	0.23	-0.44	0.23	-0.06	0.04	0.10	-0.12	0.17
0.02	-0.08	-0.09	0.91	0.22	0.07	-0.06	-0.01	-0.25	-0.31	-0.30	0.11	0.00	0.15	0.06	-0.12	-0.02	-0.16	-0.09	-0.20	0.13	0.07	-0.11
-0.04	0.04	-0.11	0.22	0.87	-0.06	-0.25	0.13	-0.23	-0.49	0.03	0.23	-0.02	-0.17	0.29	-0.18	0.02	-0.12	-0.08	-0.37	0.01	0.16	-0.02
-0.20	-0.14	0.04	0.07	-0.06	0.93	-0.10	-0.09	0.10	0.02	-0.25	-0.10	0.09	0.06	-0.02	0.03	-0.38	-0.08	0.06	-0.20	0.02	0.14	0.12
-0.13	0.27	-0.28	-0.06	-0.25	-0.10	0.91	-0.07	0.01	-0.03	-0.07	-0.05	-0.13	0.16	0.08	-0.01	0.03	-0.28	0.21	0.02	-0.22	-0.01	-0.24
-0.03	0.05	0.10	-0.01	0.13	-0.09	-0.07	0.93	-0.21	-0.10	0.06	-0.09	0.06	-0.06	0.10	-0.06	-0.27	-0.13	-0.14	-0.06	0.23	0.00	-0.17
0.13	-0.19	0.02	-0.25	-0.23	0.10	0.01	-0.21	0.93	0.14	-0.24	-0.04	-0.10	-0.01	-0.10	-0.10	-0.10	0.13	0.11	0.00	-0.09	0.22	-0.08
0.09	-0.03	-0.05	-0.31	-0.49	0.02	-0.03	-0.10	0.14	0.76	0.12	-0.42	-0.10	0.16	-0.36	-0.05	0.09	0.23	-0.03	0.28	-0.01	-0.14	0.19
-0.03	0.19	-0.17	-0.30	0.03	-0.25	-0.07	0.06	-0.24	0.12	0.93	-0.09	-0.09	-0.16	-0.14	-0.08	0.16	0.05	-0.02	0.07	-0.02	-0.04	0.10
0.00	0.16	-0.05	0.11	0.23	-0.10	-0.05	-0.09	-0.04	-0.42	-0.09	0.83	-0.15	-0.11	0.28	-0.10	0.00	-0.33	0.10	-0.19	0.03	0.20	-0.19
0.12	-0.20	0.16	0.00	-0.02	0.09	-0.13	0.06	-0.10	-0.10	-0.09	-0.15	0.94	-0.20	-0.13	0.24	-0.13	-0.13	0.03	-0.09	-0.01	-0.13	0.19
-0.04	0.08	-0.21	0.15	-0.17	0.06	0.16	-0.06	-0.01	0.16	-0.16	-0.11	-0.20	0.91	-0.43	-0.38	0.17	0.02	-0.13	-0.11	0.02	-0.13	0.14
-0.21	0.16	0.11	0.06	0.29	-0.02	0.08	0.10	-0.10	-0.36	-0.14	0.28	-0.13	-0.43	0.88	0.01	-0.13	-0.29	-0.04	-0.16	-0.10	0.05	-0.35
-0.05	-0.21	0.23	-0.12	-0.18	0.03	-0.01	-0.06	-0.10	-0.05	-0.08	-0.10	0.24	-0.38	0.01	0.92	-0.30	0.13	-0.07	0.15	-0.25	-0.07	0.08
0.04	0.16	-0.44	-0.02	0.02	-0.38	0.03	-0.27	-0.10	0.09	0.16	0.00	-0.13	0.17	-0.13	-0.30	0.91	-0.07	0.00	-0.01	-0.10	0.02	0.04
0.01	-0.45	0.23	-0.16	-0.12	-0.08	-0.28	-0.13	0.13	0.23	0.05	-0.33	-0.13	0.02	-0.29	0.13	-0.07	0.88	-0.18	0.15	0.01	-0.13	0.27
0.04	0.02	-0.06	-0.09	-0.08	0.06	0.21	-0.14	0.11	-0.03	-0.02	0.10	0.03	-0.13	-0.04	-0.07	0.00	-0.18	0.95	-0.09	-0.06	0.07	-0.24
0.01	0.12	0.04	-0.20	-0.37	-0.20	0.02	-0.06	0.00	0.28	0.07	-0.19	-0.09	-0.11	-0.16	0.15	-0.01	0.15	-0.09	0.92	-0.12	-0.27	-0.06
0.08	-0.04	0.10	0.13	0.01	0.02	-0.22	0.23	-0.09	-0.01	-0.02	0.03	-0.01	0.02	-0.10	-0.25	-0.10	0.01	-0.06	-0.12	0.94	-0.24	-0.17
-0.10	-0.03	-0.12	0.07	0.16	0.14	-0.01	0.00	0.22	-0.14	-0.04	0.20	-0.13	-0.13	0.05	-0.07	0.02	-0.13	0.07	-0.27	-0.24	0.90	-0.32
0.03	-0.27	0.17	-0.11	-0.02	0.12	-0.24	-0.17	-0.08	0.19	0.10	-0.19	0.19	0.14	-0.35	0.08	0.04	0.27	-0.24	-0.06	-0.17	-0.32	0.84

Table 2 : Anti image matrices

This chart represents the individual statement KMO Value, In this matrix all the diagonal values are close to 1 and all the anti- diagonal values are close to 0.

This tells about the inter-relation of all the statement or variable among each other.

Communalities		
	Initial	Extraction
Business strategies are driven with the belief to create greater value for customers	1	0.647601686
Constant monitoring the level of commitment and orientation for serving customer needs	1	0.749807908
Measuring customer satisfaction systematically and frequently.	1	0.623767746
top managers from every function regularly visit current and prospective customers	1	0.547606425
close attention given to after sales service	1	0.627252833
business objectives are driven primarily by customer satisfaction	1	0.69539557
Sales people regularly share information within business concerning competitor's strategies.	1	0.581677378
targeting customers where there is an opportunity for competitive advantage	1	0.47118390
Top management regularly discusses competitors strengths and strategies	1	0.61198963
Management share resources with other business units.	1	0.639082864
All business functions (e.g. Marketing/sales, manufacturing, R& D, finance/accounting, etc.) are integrated in serving the needs of target markets	1	0.566579085
communicating information about successful and unsuccessful customer experiences across all business functions	1	0.546970527
All managers understand how everyone in business contribute in creating greater customer value	1	0.546683867
Company activities are designed and focused keeping in view the long term profits of the business	1	0.738854771
Company takes and adopts all key functional areas and undertakes all activities to ensure long term survival and profitability of the business.	1	0.783530712
The company aims and carries out all those activities that generate profits and margins in long run	1	0.691527794
The company always strives to look out for discovering and implementing new value for patients.	1	0.729162954
While carrying out services, the company tries to overcome any deficiency in services	1	0.662288565
The company analyses profits and margins for every product, product line and business units .	1	0.515983713
The company has a well-defined strategy with rapid payback method to recover money invested in new products /new projects	1	0.665402702
The top managers always emphasize on improved performance relative to competitors	1	0.710276685
The company ensures that all business units are generating profits	1	0.706329173
The company ensures and emphasizes to generate and earn sufficient revenue to cover all operating expenses	1	0.652296151

Table 3 : Communalities

Communalities in the output represents how much of the variance in the variables have been accounted for by the extracted factors. In the table 3, Values which are less than 0.5 has been removed from further analysis, the values that are more than 0.5 are kept for further analysis.

“We target customers where we have an opportunity for competitive advantage”

Table 4 : Total Variance Explained

Total Variance Explained								
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings	
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance
1	11.1696285	50.7710387	50.77103866	11.1696285	50.77103866	50.77103866	5.59306006	25.42300027
2	1.977622454	8.98919297	59.76023163	1.977622454	8.989192972	59.76023163	4.53883989	20.63109041
3	1.133864117	5.1539278	64.91415943	1.133864117	5.153927803	**64.91415943**	4.149215125	18.86006875
4	0.88996283	4.04528559	68.95944502					
5	0.806305689	3.66502586	72.62447088					
6	0.735740354	3.34427434	75.96874522					
7	0.679401398	3.08818817	79.0569334					
8	0.607170258	2.75986481	81.81679821					
9	0.552162107	2.50982776	84.32662597					
10	0.474476565	2.15671166	86.48333762					
11	0.445313318	2.02415145	88.50748907					
12	0.392948299	1.78612863	90.2936177					
13	0.379367584	1.72439811	92.01801581					
14	0.316082627	1.43673921	93.45475503					
15	0.263302956	1.19683162	94.65158665					
16	0.252275313	1.14670597	95.79829261					
17	0.227969535	1.03622516	96.83451777					
18	0.204210376	0.92822898	97.76274675					
19	0.166398402	0.75635637	98.51910313					
20	0.140608	0.63912727	99.1582304					
21	0.096869975	0.44031807	99.59854847					
22	0.088319337	0.40145153	100					

Next output tells about Eigen value, which reflects the number of extracted factor. Eigen value should be always greater than 1.In the above table, the first factor of variance represents 50.77%, second 59.76% and third 64.9 %. The entire factor remaining is not significant.

64.9% value is significance to us and helps in determining the three factors

Table 5 Extraction of Factors

Q18	Company activities are designed and focused keeping in view the long term profits of the business	0.724		
Q19	Company takes and adopts all key functional areas and undertakes those activities to ensure long term survival and profitability of the business.	0.802		
Q20	The company aims and carries out all those activities that generate profits and margins in long run	0.568		
Q23	The company analyses profits and margins for every product, product line and business units.	0.65		
Q24	The company has a well-defined strategy with rapid payback method to recover money invested in new products /new projects	0.692		
Q25	The top managers always emphasize on improved performance relative to competitors	0.781		
Q26	The company ensures that all business units are generating profits	0.82		
Q27	The company ensures and emphasizes to generate and earn sufficient revenue to cover all operating expenses	0.785		
Q5	Business strategies are driven by belief of creating greater value to customers.		0.663	
Q6	constantly monitor level of commitment and orientation to serving customer needs		0.79	
Q7	Measuring customer satisfaction systematically and frequently.		0.694	
Q8	top managers from every function regularly visit current and prospective customers		0.495	
Q10	business objectives are driven primarily by customer satisfaction		0.738	
Q21	The company always strives to look out for discovering and implementing new value for patients.		0.702	
Q22	While carrying out services, the company tries to overcome any deficiency in services		0.669	
Q9	Giving close attention to after sales service			0.65
Q11	r Sales people regularly share information within business concerning competitors strategies.			0.497
Q13	Top management regularly discusses competitors strengths and strategies			0.526
Q14	sharing resources with other business units.			0.784
Q15	All business functions (e.g.marketing/sales, manufacturing, R& D, finance/accounting, etc) are integrated in serving the needs of target markets			0.5
Q16	Communicating information about successful and unsuccessful customer experiences across all business functions			0.676
Q17	All managers understand how everyone in business can contribute to creating customer value			0.496

Reliability Statistics (of factor1)	
Cronbach's Alpha	
0.925004118	

Reliability Statistics (of factor2)	
Cronbach's Alpha	
0.900099621	

Reliability Statistics (of factor3)	
Cronbach's Alpha	
0.86815027	

Cronbach’s Alpha measures the internal consistency among the variables as a set of groups. It measures the scale of reliability among the variables in a group.

Reliability of all the factor is around 0.9 that is close to 1.

FAC1_1	FAC2_2	FAC3_3
-3.816559931	-0.761962873	2.689762395
-0.068767763	0.541641071	-0.66436341
0.990220708	-0.721281153	-0.825797401
0.915652607	-0.488582149	0.719210315
0.714706749	-0.613891713	0.558268612
0.267752079	-1.125045967	0.494245511
-1.626437127	-2.539618929	-0.140544662
-2.057117566	1.298879762	1.087905793
0.329603353	0.794091677	-0.723202623
0.798072825	-0.299619605	0.333879678
-0.174415706	1.016766421	1.085850181
-0.410905637	0.700886251	-1.060036739
0.61442935	-0.527405299	1.051617816
-0.257295163	1.435078613	-1.653797684
-0.422051363	0.197897117	1.891029099
-0.374129913	1.638470182	0.462210875
0.791934105	0.578711211	0.670058969
0.02760997	0.294804524	0.226388112
-0.259292954	-0.102897939	1.122377861
-0.039519255	-0.844073723	0.509884219
1.107035064	1.064288013	-0.219129361
0.290935833	-0.227642737	-0.681853552
-0.854004748	-0.458101151	-0.173207864
-0.967205527	1.405692052	-1.749893
0.049649988	-0.17140952	-0.941582462
0.378838417	0.556750347	-0.346791237
0.43070579	0.58812629	0.043325011
-0.268613405	0.389765167	-2.171354567
0.098198169	0.832141567	1.284327988
0.038980995	0.913807918	0.195616558
2.417504404	-2.336574138	-0.584894156
-0.163109586	0.462263273	0.652759438
0.456402006	1.417448937	0.122686931
0.367394421	0.242456907	-2.086757102
-0.086544431	-0.376045165	0.307821979
0.128727017	0.119868301	-0.289946655
1.070411976	-2.417458483	0.402941699
0.248747336	0.69037002	-0.394658639
-1.1014223	-0.262577501	0.381193853
1.102940309	0.103937162	-0.981869469

0.403705856	0.204586	0.527693169
1.134160903	-1.305910416	0.550498564
0.76616212	-0.937253852	1.234102582
0.432387126	0.886941829	1.259650746
-1.826219121	1.617710857	-1.400696451
-1.870088875	-0.874165054	-1.045362198
-1.139234717	-1.352204308	-0.291713978
1.182025431	0.220665083	0.550538752
-0.994415517	-1.832767877	-1.084141594
-0.358228706	0.393319473	0.601827348
-0.249243161	0.925700667	-0.298110966
-0.410677809	-2.636950463	-2.320223592
0.81806251	-1.029036483	-0.636191872
0.61123147	0.458143075	-1.728910245
-0.427063978	0.072651243	-0.364450122
0.101523201	-0.209375888	-0.240312676
-3.594261053	-0.814628892	-1.45786396
0.355963761	0.786737801	0.497237396
0.379079952	-0.39496014	0.538213654
0.301187973	-1.37481334	0.308031786
1.423101922	0.892540414	-1.341935815
0.205410601	0.713502138	0.725978315
0.195241491	0.121667985	-0.586084593
-0.543692393	0.988725308	-0.569782814
0.56358954	-0.017552408	0.923702091
0.485520589	1.186539663	0.341097301
0.263240382	1.012556252	0.491732699
0.540855493	-1.43800917	1.278542037
0.418775375	-0.427632095	-0.264859316
-1.316846118	-0.273864472	1.126448372
0.16732393	0.23899533	1.752250382
0.485447177	0.818270278	0.986147775
0.240603149	-0.367211242	-0.126851775
0.566310396	0.737127968	-0.539883311
Average 0.00000	**0.00000**	**0.00000**
Standard Deviation 1	**1**	**1**

Table 6 :Standardize factors

Next output represents the classification of three factors; factor 1 represents the clubbing of most

Important variables having similar responses followed by factor 2 and 3. The gap represent the value less than 0.5

Thus, the three factors that were found were named as :

1. **Corporate Outlook**
2. **Customer Value Proposition**
3. **Business Operational Excellence**

8.1 One Sample Test

	Test Value = 0					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
MS_Fac1	45.98191053	73	0.000	5.536351	5.296389	5.776314
MS_Fac2	41.34115354	73	0.000	5.299189	5.043723	5.554655
MS_Fac3	44.47336925	73	0.000	5.108108	4.879197	5.337019

Table 7 : One sample test

One test T value is used to determine, whether the sample comes from respondent with a specific mean.

Let it hypothesized, these three factors have relation among each other.

But the hypothesis gets rejected as the mean of these sample have certain relation with each other.

1. **Corporate outlook**
2. **Customer value proposition**
3. **Business operational excellence**

Have little correlation within each other.

Table 8 : Anova to check significance

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
MS_Fac1	Between Groups	5.075379	2	2.537689	2.460192	0.092672
	Within Groups	73.23654	71	1.031501		
	Total	78.31191	73			
MS_Fac2	Between Groups	2.198561	2	1.09928	0.901678	0.410484
	Within Groups	86.55959	71	1.219149		
	Total	88.75815	73			
MS_Fac3	Between Groups	0.713919	2	0.356959	0.359232	0.699474
	Within Groups	70.55082	71	0.993673		
	Total	71.26474	73			

This ANOVA Test was used to determine the variance about the factors and the orientation.

There is no significant difference. Between the group and within the groups.

The responses told by the product oriented, market oriented and product – market oriented companies should have to be different but the results represent less variance in their responses.

Thus dependent and inter- dependent variables vary from each other.

Test of Homogeneity of Variances			
	Levene Statistic	df1	df2
MS_Fac1	1.004763	2	71
MS_Fac2	2.024379	2	71
MS_Fac3	1.154312	2	71

Table 9 : Homogeneity of variance

8. 2 Regression Analysis

ANOVA						
MODEL		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	64.015	1	64.015	163.745	.000
	Residual	28.148	72	0.391		
	Total	92.162	73			
2	Regression	64.286	2	32.143	81.868	0.000
	Residual	27.876	71	0.393		
	Total	92.16	73			
3	Regression	64.377	3	21.459	54.061	0.000
	Residual	27.785	70	0.397		
	Total	92.162	73			

Table 10 : Regression Analysis, ANOVA Table

Dependent variable: Top management have always emphasized on improving performance relative to competitors.

They are mainly focused on selling orientation. They have focused more on developing the sales force for promoting and selling their product and services. This is basically done either from face to face interaction or phone calls with potential clients or prospects. This front line people are important assets for the organization and also they are considered as the main driver for the success of the firm.

9 Conclusion

The above study tells that there are three factors of market orientation that are directly related to firm performance. **Customer Value Proposition, Corporate Outlook, Business Operational Excellence.** Companies that focus more on serving the customer needs and wants, & also focus more on after sales services are supposed to have better performance.

The above study also tells that the Pharmaceutical Company orientation i.e Product oriented, Market Oriented and Product- Market Oriented companies have no significance difference , as their responses are same .

The Companies are Totally Sales Oriented as their main focus is to generate the revenue by selling the product, by assuming the needs of consumers without dong a relevant market research.

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