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## The impact of market orientation on enhancing competitive advantage (A survey study of selected industrial companies listed on the Iraq stock exchange)

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### Abstract

This research discusses two important variables: market orientation and competitive advantage. The purpose of the study is to determine whether the companies in the sample implement market orientation and to what extent they strive to apply it in alignment with the Iraqi business environment. The study sample includes industrial companies listed on the Iraq Stock Exchange: Baghdad Soft Drinks Company, Modern Sewing Company, and the National Company for Home Furniture Industries. The research utilized an electronic questionnaire distributed to participants, and data analysis was conducted using the SPSS statistical program.

The study reached several conclusions, the most significant of which is that market orientation serves as a fundamental pillar for enhancing the competitive advantage of industrial companies. This underscores the importance of focusing on marketing strategies to achieve market superiority. The study also provided several recommendations for the sampled companies, including the need to focus on developing effective defensive strategies aimed at enhancing customer loyalty and maintaining market share stability by improving the quality of products and services and increasing customer satisfaction.

**Keywords:** Market orientation, competitive advantage, industrial companies, customer loyalty, Iraq stock exchange

### Introduction

Business organizations today face a turbulent and rapidly changing environment, coupled with intensified competition due to the presence of numerous environmental variables in political, economic, and social domains. These challenges are further amplified by the significant and rapid developments in recent decades, which have been driven by the information and communications revolution. In this context, it is imperative for business organizations to adopt innovative thinking and embrace modern concepts that ensure their survival, growth, and the enhancement of their performance levels (Mac & Lee, 2024, p. 132) <sup>[1]</sup>.

One of the modern concepts in this domain is "market orientation," which primarily aims to provide customers with superior value based on advanced information systems and an in-depth understanding of the market, customers, competitors, and surrounding conditions. Specifically, knowledge of customers and competitors is a fundamental element of any strategy a company adopts (Woehler & Ernst, 2023, p. 2) <sup>[2]</sup>.

However, this knowledge must be effectively activated and utilized both internally and externally. In addition to delivering superior value, market orientation supports and encourages a culture of experimentation and focuses on continuous improvement of organizational processes and activities, potentially providing a competitive advantage. Market orientation lays the foundation for creating customer value strategies, which in turn serve as a basis for achieving exceptional performance (Gala & Kashmiri, 2022, p. 2056) <sup>[3]</sup>. Since satisfying customers and society at large is one of the primary priorities of organizations, they are left with no choice but to excel in their performance. This excellence ensures their ability to strengthen their competitive capabilities, enabling them to dominate both domestic and international markets. Marketing operations in the information and knowledge era are shaped by entirely different perspectives compared to the industrial era.

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This shift is reflected in the transformation from traditional marketing wisdom focused on transactional relationships with customers to a marketing approach that emphasizes building and maintaining long-term relationships with customers. This approach relies on information technology, databases, and continuous interaction (Zameer & Yasmeen, 2024, p. 2048)<sup>[9]</sup>.

### Section One: Study Methodology

#### Second: The Research Problem

Market orientation can be a significant factor influencing the competitive advantage of the studied companies. However, the issue persists on a larger scale, exacerbated by the weak role of marketing orientation policies in addressing the problem, as well as the lack of activation and adherence to plans and strategies to resolve it. Nevertheless, the role of market orientation-particularly through defensive and proactive approaches in the workplace-lies in creating a shared vision and value alignment within the strategic team. This contributes to acquiring the necessary information for decision-making and crafting appropriate strategies for the organization under study.

#### The research problem can be expressed by addressing the following questions

1. What is the impact of market orientation on the competitive advantage of the organization?
2. To what extent do the companies under study prioritize competitive advantage?

#### Third: Importance of the Study

- Enhancing the theoretical understanding of the concepts of market orientation and competitive advantage and presenting them in a scientific manner, as these topics have been rarely explored by some researchers.
- Highlighting the scientific dimensions of the study's concepts and understanding the nature of their interrelationships.
- Providing insights into the extent to which the concept of market orientation is applied and how it contributes to enhancing competitive advantage, thereby supporting the achievement of the objectives of the studied companies.

#### Fourth: Objectives of the Study

##### The current study aims to achieve the following objectives

1. To identify the current state of market orientation (defensive orientation and proactive orientation) and emphasize its implementation by management in the studied companies.
2. To examine the current state of competitive advantage and assess the extent to which it is understood in the studied companies.
3. To explore the impact of market orientation on competitive advantage within the studied companies.

#### Fifth

##### Research Hypothesis

In light of the research problem, this study seeks to test the validity of the following hypothesis:  
(There is no statistically significant effect at the significance level ( $\alpha \leq 0.05$ ) of market orientation on competitive advantage in the studied companies).

#### This main hypothesis is divided into the following sub-hypotheses

1. **First Sub-Hypothesis:** There is no statistically significant effect at the significance level ( $\alpha \leq 0.05$ ) of defensive orientation on competitive advantage in the studied companies.
2. **Second Sub-Hypothesis:** There is no statistically significant effect at the significance level ( $\alpha \leq 0.05$ ) of proactive orientation on competitive advantage in the studied companies.

#### Research Methodology

The descriptive-analytical method was employed in this study. The descriptive approach helps in describing the phenomena and factors related to market orientation and competitive advantage in industrial companies. Meanwhile, the analytical approach aids in examining the relationships between variables and analyzing the impact of market orientation on enhancing competitive advantage.

#### Research Outline

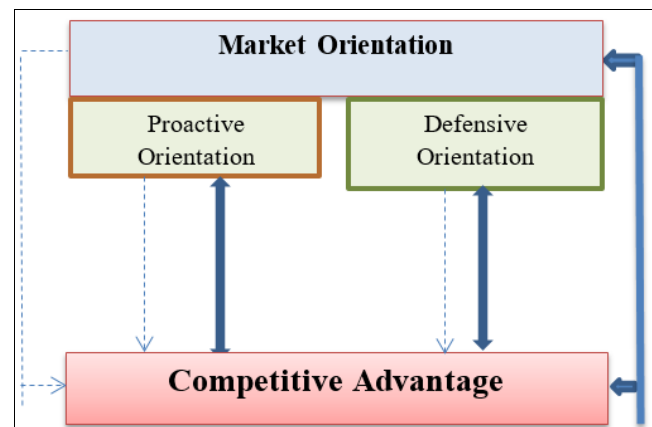


Fig 1: Virtual Research Outline

#### Research Boundaries

##### The boundaries of the research are as follows

1. **Subject Boundaries:** The study focuses on analyzing the impact of the dimensions of market orientation (defensive orientation and proactive orientation) on enhancing competitive advantage.
2. **Spatial Boundaries:** The study is geographically limited to certain industrial companies in Iraq listed on the Iraq Stock Exchange.
3. **Temporal Boundaries:** The study covers data that will be collected and analyzed during a specified time period, from October 10, 2024, to November 10, 2024.
4. **Human Boundaries:** The study is confined to the opinions of a sample of employees in the industrial companies listed on the Iraq Stock Exchange. The sample includes employees from all levels of management, including senior, middle, and executive management, from the following companies: Baghdad Soft Drinks Company, Modern Sewing Company, and the National Company for Home Furniture Industries.

#### Section Two: Theoretical Framework of the Study

##### First: Market Orientation

##### Concept of Market Orientation

Market orientation is considered one of the modern concepts in management science, which has gained increasing attention in recent years. It has become difficult to adhere to

a single, comprehensive definition of market orientation that is universally agreed upon by researchers. Below are some

of the definitions related to market orientation, as shown in the following table.

**Table 1:** Concept of Market Orientation from Different Perspectives.

S	Year and Author	Market Orientation
1	Meera, & Vinodan, 2024 <sup>[4]</sup>	The processes of discovering and understanding the desires of current and potential customers, and monitoring the interaction with activities of current and potential competitors, focusing on understanding the company's resources in solving problems and exploiting opportunities.
2	Akgün, & Polat, 2022 <sup>[5]</sup>	The most effective and efficient organizational culture that creates the necessary behaviors to generate superior value for buyers and maintain superior and continuous business performance.
3	Mansouri <i>et al.</i> , 2022) <sup>[6]</sup>	The strategic inclination to respond to customer needs and desires, which is rooted in the organization's culture.
4.	Kamarulzaman <i>et al.</i> , 2023 <sup>[7]</sup>	Composed of a dominant value: the commitment of all members of the organization to consistently create superior value for customers.
5.	Ghasempour & Kazemi, 2024) <sup>[8]</sup>	A specific type of organizational culture that focuses on "delivering products and services valued by customers through continuous monitoring of market conditions and adapting organizational responses".

**Source:** Prepared by the researcher

### Second: Dimensions of Market Orientation

Due to the varying perspectives of marketing pioneers, writers, and researchers in identifying the most common dimensions in the application of market orientation, the researcher has summarized the views of most researchers and authors. As a result, a variation and difference in opinions emerge according to their perspectives. However, there is agreement on a set of dimensions that have been most frequently used in previous studies. This can be explained as follows:

#### Proactive Orientation

Many studies that have addressed market orientation in the theoretical aspect agree that proactive orientation is one of its key dimensions. According to Mac and Lee (2024) <sup>[1]</sup>, proactive market orientation is a concept in marketing that refers to the use of strategies and tactics by companies to anticipate market changes and customer needs, and take early actions to address those changes before they become evident. The goal of proactive market orientation is innovation and outperforming competitors through the analysis of trends, forecasts, and potential market challenges. It is also described as one of the marketing strategies companies use to surpass competitors, alongside marketing capabilities, to create additional value.

Gala and Kashmiri (2022) <sup>[3]</sup> view it as a philosophy adopted by organizations in response to rapid changes in the business environment. Toward this end, this orientation seeks to make the organisation a market maker, grab an opportunity and get into a premia position by deploying resources in the best way possible, satisfying customers' needs and wants, and getting as much information as possible.

Meera & Vinodan, (2024) <sup>[4]</sup> have affirmed that while proactive orientation activity focuses on such programs to gauge and fulfill latent customer's needs, Market orientation On the other hand relates to a company's effort to gauge and satisfy the existing needs and wants of the customers.

#### Defensive Orientation

Market orientation has been defined and analyzed in numerous prior analyses, and most of those works have consensus that defensive orientation is one element of the concept. Akgün and Polat (2022) <sup>[5]</sup> defined defensive orientation as a term applied in the marketing domain to explain efforts and methods adopted by organisations and companies aimed at maintaining market share freed from

any threat posed by competitors. It is used to describe organizational behaviour involving project efficiency, product quality, productivity, and costs. Defensive orientations of organizations seek to preserve the entity's position within the selected field in terms of cost-leadership and sustainable operations, instead of creating new capacities and implementing new concepts that are likely to enhance threats and decrease opportunities (Mansouri *et al.*, 2022) <sup>[6]</sup>.

This orientation occurs with a planned set of tools and methods to remain loyal to the customers and increase their satisfaction. Hedge marketing techniques may comprise extending certain packages to the already existing customers, delivering optimum service, enhancing the quality of the products or services offered, and establishing stronger consumer bond through customer reward programs and sometimes frequent and close interaction with customers. Defensive market orientation on the other hand focuses on the company building a narrows and maintaining the customer base of the organization by providing satisfaction that can be measure. This has the advantage of cutting down the likelihood of falling customer's victim to other competitors in the market.

However, companies have to be able to respond to competition and changes in the market and develop new effective promotion strategies to remain competitive and attract the customers they have not targeted before. Addressing a constellation of issues such as marketing defensive orientation along with the company's ability to innovate and meet market needs is critical for the performance of organisations in a competitive market Kamarulzaman *et al.* (2023) <sup>[7]</sup> indicate that seeking advanced opportunities by offering innovative products and services and anticipating future demands to create change and shape the market environment is an essential aspect of defensive orientation.

#### Technological Orientation

Many studies that have addressed market orientation agree that technological orientation is one of its key dimensions. The dimensions of effective market orientation that will be used in the current study were identified based on those dimensions discussed by most researchers and the most commonly used dimensions in previous studies.

Technological orientation refers to the use of technology and technological innovations within marketing strategies to achieve business objectives. This orientation relies on the use of digital technologies, modern technology, and

equipment to improve customer experience, enhance marketing effectiveness and efficiency, and expand reach to potential customers.

Technology is considered a systematic application of scientific methods or any organized knowledge used in performing tasks (Ghasempour & Kazemi, 2024) [8]. It has also been described as the mechanical methods or knowledge used by individuals to achieve goals. It is viewed as the knowledge related to how tasks are completed and goals are achieved, especially since it fundamentally impacts the success or failure of economic units in achieving their objectives (Mac & Lee, 2024) [1].

It has been further defined as the techniques, tools, methods, procedures, machinery, and mechanisms used to transform things, personnel, and information into outputs. In other words, technology is employed to convert or obtain data inputs, which are then transformed into outputs.

It has been defined as the actions performed by an individual on a certain thing, whether using mechanical tools or not, with the aim of making some changes to that thing (Gala & Kashmiri, 2022) [3].

Technology is viewed as knowledge. It represents knowledge or performance in carrying out a specific task or activity. It goes beyond being just a machine or tool; rather, it refers to the concepts related to achieving predetermined goals and outcomes.

### Competitive Advantage

Organizations aim to sustain and survive, so they must acquire competitive advantages that lead to competitive superiority and ensure customer satisfaction. However, the changes that business organizations face have imposed significant challenges regarding survival, continuity, and maintaining their competitive advantages for a long period. Therefore, possessing and developing a competitive advantage has become a strategic goal for organizations that seek to achieve it using various methods and tools, most notably information technology and strategic intelligence, which play an important role in supporting competitive advantage, achieving organizational efficiency, and ensuring the success of the organization (et. al. 2024. Atmaja) [10].

Due to the openness of markets and the shift toward a market economy, there has been an increased focus on the term competitiveness, both locally and internationally. Organizations today operate in a rapidly changing environment, and survival depends on having sustainable competitive advantages that are irreplaceable or non-replicable. This requires organizations to secure an important position compared to their competitors. Their success or failure hinges on possessing these advantages. The concept of competitive advantage holds significant importance in strategic management as it is the essential opportunity for an organization to achieve profits and strengthen its competitive position. This section will address competitive advantage in an attempt to cover its various important aspects (2024, Nuhu & Su) [11].

Thus, this section will focus on the independent variable, which is competitive advantage (its concept, types, strategies, dimensions, and determinants).

### Concept of Competitive Advantage

It is difficult to pinpoint the exact date of the emergence of competition, as it has existed since the establishment of organizations and continues to evolve in varying methods and degrees from one stage to another. However, one thing

is certain: the increasing number of organizations, the rise in the number of products within the same category, and the improvement in the economic conditions of societies are factors that generally heighten competition. This has made achieving competitive advantage a focus of interest for researchers and specialists in strategic management. Multiple opinions have emerged on this concept, with some describing it as the unique position that an organization develops in relation to its competitors by allocating resources. As such, competitive advantage is achieved through capabilities, where it is viewed as something that can be utilized within the organization's strategy (2023: Usman & Otache) [12].

It involves utilizing talents, creativity, innovation, and development capabilities, whether at the individual, organizational, or societal level, to seize available opportunities and leverage strengths to discover areas for excellence and surpass others. This leads to an enhanced sense of self-confidence and the ability to create a better future and reach the peaks of success, representing an ideal model through the general acceptance of the results and the demand for the organization's products. This process involves building a foundation of trust that accumulates, grows, and develops-based on impact, influence, impression, and brand perception. This future represents the dreams, hopes, and ambitions of individuals, organizations, and nations. Competitive advantages are created through an intelligent interactive relationship blending the genius of place, time, and people, resulting in an advanced position among competitors, whether individuals, institutions, or countries (2023, Nuhu & Su) [13].

The research will address some of these definitions, as the concept of competitiveness varies depending on the organization, sector, or country. At the national level, competitiveness means "the ability of a country to achieve a high and continuous standard of living and income for its citizens." At the sector level, it refers to the ability of organizations operating in the same sector, subject to a specific industrial activity in a country, to achieve sustained success in markets without relying on government support or protection. At the organizational level, it refers to "the efforts, actions, innovations, pressures, and all the administrative, marketing, production, innovation, and development activities practiced by organizations to secure a larger share and a broader presence in the markets they target" (Et.al: 2023, Acquah) [14].

The Organization for Economic Cooperation and Development (OECD) defines competitive advantage as: "The degree to which a country, under free global trade and market conditions, is able to produce goods and services that meet the tests and demands of international markets, while maintaining and increasing the real income of its citizens over the long term." This understanding highlights the perspective that competitiveness is embedded in the type of economic system adopted by the country (Karim & Al Balushi: 2024) [15].

As for the term "Competitive Advantage," it is based on dynamic analysis principles. Competitive advantage is something that is created and can be acquired. A country can import factors of production such as capital and technology to achieve growth and seize opportunities in global markets. The Japanese were the first to recognize that competitive advantage is created and can be acquired (Schmidt, 2010) (2023: Usman & Otache) (Karim & Al Balushi: 2024) [12, 15, 17].



### Characteristics of Competitive Advantage

Achieving competitive advantage lies in the organization's ability to outperform competitors in one of the strategic performance areas. This depends primarily on the rate of learning that achieves a tangible reduction in production costs, forming a competitive advantage in cost leadership. It can also be achieved through innovation and introducing new methods in production and services, which can only be realized through a new wave of learning, creating a dialectical interaction that leads to a spiral leverage in the direction of increasing competitive advantage (Pratono, 2024) <sup>[16]</sup>.

Competitive advantage can be either permanent or temporary. A temporary competitive advantage lasts for a short period, while a sustainable competitive advantage lasts for a very long time. There are various types of competitive advantages.

### Importance of Competitive Advantage

Due to the rapid development of competitive technologies, the strength of market intelligence, and the growth of artificial intelligence in today's organizations, possessing a competitive advantage has become somewhat futile due to the ease with which competitors can replicate and copy this advantage. Therefore, what has become most important in today's industrial world is how to sustain the competitive advantage and make it difficult to replicate or even understand by competitors. This is where the significance of competitive advantage lies (Karim & Al Balushi, 2024) (Nuhu & Su, 2023) <sup>[13, 15]</sup>.

1. A Weapon to Face Market Challenges: By developing competitive knowledge and the ability to meet future customer needs, the organization is able to confront challenges from competitors.
2. A Criterion for Determining Successful Organizations: Successful organizations are distinguished by the ability to create unique models that are difficult to replicate continuously, as older models have become widely known and accessible, and competitors are aware of them.
3. Determining the Availability of Success Factors: It defines the extent to which key success elements are available compared to competitors. The organization builds its strategies based on a sustainable competitive advantage that is not available to competitors and is long-lasting. Additionally, it avoids strategies that require strengths that the organization does not possess.
4. A Key Objective for Organizations: It is a fundamental and essential goal for organizations striving for superiority and excellence. The organization's ability to utilize resources and capabilities to achieve a better position among competitors, and to satisfy customers and understand their needs and desires in a way that is difficult for other organizations to replicate.

### Dimensions of Achieving Competitive Advantage

The two key factors indicating competitive advantage are the value perceived by customers regarding the organization's products or services and the cost of producing them. Therefore, the factors that form the competitive advantage are efficiency, quality, innovation, and responsiveness to customer needs (Nguyen *et al.*, 2021: 336) <sup>[18]</sup>.

Achieving competitive advantage is linked to two main dimensions, which are (Nuhu & Su, 2023: 193) (Acquah *et al.*, 2023: 3) <sup>[13, 14]</sup>.

**Perceived Value by the Customer:** This refers to organizations utilizing various capabilities to enhance the value customers perceive in the products and services they offer. This contributes to building their competitive advantage. The concept of value includes not only price and quality but also the customer's satisfaction with the product or service and after-sales services.

Competitive advantage arises from the value that organizations can add to their customers. This value represents the level of willingness a customer has to pay for products or services. Higher value is demonstrated when an organization sells the same products as its competitors at a lower price or offers unique services at a higher price than usual but still satisfies customers (Pratono, 2024: 103) <sup>[16]</sup>.

The direct relationship between the expected values of customers, the values offered by the organization, and those provided by competitors determines the dimensions and conditions of competitive advantage. If the values provided by the organization are closer to the customer's expected values compared to those offered by competitors, it can be said that the organization has a competitive advantage over its competitors in one or more indicators. This advantage allows the organization to outperform competitors by getting closer to customers and gaining their preferences (Al Karim & Al Balushi, 2024: 252) <sup>[15]</sup>.

Creating a competitive advantage requires encompassing all processes and prioritizing the value delivered to customers. Once customers recognize the value of the products and services, they will be able to distinguish these products or services from those offered by competitors (Karim & Al Balushi, 2024) <sup>[15]</sup>.

**Excellence through Resources:** Competitive advantage can also be achieved by offering a product or service that competitors cannot replicate or create a copy of. There are several sources to achieve excellence, the most important of which include financial resources, intellectual capital, and organizational capabilities.

For resources and skills to serve as sources of sustainable competitive advantage, four requirements must be met (Hosseini, *et al.*, 2018:3):

- They must be valuable.
- They must be rare among current and potential competitors.
- They should not be easily replicable.

The competitive advantage of organizations depends on a number of tangible and intangible resources (Usman & Otache, 2023) <sup>[12]</sup>.

### Section Three: Practical Aspect

**First: Study Sample:** The field study targeted three industrial organizations listed in the Iraq Stock Exchange, namely (Baghdad Soft Drinks Company, Modern Tailoring Company, and National Company for Home Furniture Industries) as the study sample. The study population consists of 17 industrial companies, including all members of the senior, middle, and executive management in Iraqi industrial organizations. The sample was randomly selected, and the survey form was distributed electronically. A total of 114 responses were received, and after thorough examination, all responses were found to be valid for statistical analysis. The following table presents the demographic distribution of the sample members:

**Table 2:** Demographic Variables of the Sample Members

Variable	Categories	Frequencies	Percentage	Total
Gender	Male	87	76.3%	114
	Female	27	23.7%	
Age	Less than 30 years	46	40.4%	114
	30-40 years	40	35.1%	
	41-50 years	13	11.4%	
	More than 50 years	15	13.2%	
Educational Qualification	Diploma	23	20.2%	114
	Bachelor's Degree	83	72.8%	
	Higher Degree	8	7.0%	
Years of Experience	Less than 5 years	31	27.2%	114
	5-10 years	50	43.9%	
	10-15 years	21	18.4%	
	More than 15 years	12	10.5%	
Total		114	100%	114

### The demographic results of the sample show the following distribution

**Gender:** The majority of the sample consists of males (76.3%) compared to females (23.7%). This may be justified by the nature of the industrial sector, where industries tend to prefer hiring males due to the physical requirements of certain jobs and the technical nature of the work. This results in a relatively lower presence of females, but it is increasing as part of the trend toward diversity in the workplace.

### Age

The sample is selected among the age groups "up to 30 years" and "over 30-40 years" making 75.5% of the total sample. This is especially due to their choice of taking young and middle aged employees, which are full of energy, creativity and adequate working experience. This distribution may point to the fact companies are interested in increasing production growth and efficiency by hiring people that are most productive in their careers.

### Educational Qualification

According to the obtained sample, 72.8% of respondents have a bachelor's degree, which corresponds with the demand of the industrial companies that require employees having university education to meet the need of administrative and technical positions. Exactly 20.2% of the participants have a diploma which is more suitable for technical or operational positions as 7.0% have an advanced degree which cultivates mastery level and specialized academic knowledge.

**Years of Experience:** The largest percentage of the sample is in the "5-10 years" category, with 43.9%. This suggests that companies rely on individuals with moderate experience, as these employees possess enough knowledge and practical experience to achieve work efficiency without their expertise significantly impacting operational costs.

### Second: Data Collection Tool

The questionnaire was adopted and it was the major means of data collection. It has subtopics analyzing two measures of marketing orientation (proactive market orientation, defensive market orientation) and relationship with competition. Different questions form the questionnaire in which each dimension's assessment is based on respondents' agreement with the statements formulated on a five-point Likert scale.

### Third: Validity of the Tool

To ensure the face validity of the study tool, the questionnaire was reviewed by a group of experts in the field of marketing. The purpose was to verify the appropriateness of the questions for measuring the study variables (marketing orientation and competitive advantage) and to assess their clarity and comprehensiveness. Necessary adjustments were made based on the reviewers' feedback, including modifying some phrases to make them more accurate and clear, and ensuring the questionnaire covered all aspects of marketing orientation and the dimensions of competitive advantage required. This procedure enhances the face validity of the study tool and ensures that the questionnaire's questions are suitable and relevant for measuring the objectives intended to be achieved through this study.

### Fourth: Reliability of the Tool

The Cronbach's Alpha coefficient is a measure used to determine the reliability of a measurement tool and the internal consistency of the items in measuring the same variable. The result of Cronbach's Alpha must in turn be greater than zero, while a measure of 0.7 or more is considered good, the higher being closer to 1, indicating high reliability and a good measurement tool. As shown in Table (3):

**Table 3:** Cronbach's Alpha Coefficient for the Dimensions of the Questionnaire

Variable	Number of Items	Cronbach's Alpha Value
Marketing Orientation	10	0.889
Competitive Advantage	5	0.871
Overall Questionnaire	15	0.918

### Source: Prepared by the researcher based on SPSS program outputs

As for reliability, the marketing orientation variable achieved a Cronbach's alpha of 0.889, whereas the competitive advantage variable, received an alpha of 0.871. The total Cronbach's alpha figure for the whole questionnaire was estimated to be 0.918. These are high hence suggesting a high reliability of the items representing the study variables. The obtained results indicate that the study tool is highly reliable and has a strong internal consistency, which facilitates the collection of reliable data on the concepts of marketing orientation and competitor advantage. This boosts the confidence of the researcher to

depend on the results acquired from the questionnaire and attain the aims and objectives of this study credibly.

**Fifth: Analysis Methods**

Data analysis for all the studies was done using the statistical software; SPSS for data analysis to enhance the reliability of the outcomes as well as the conduciveness of the outcomes to analysis. The following tests were performed:

1. Descriptive analysis was used to identify the demographic characteristics of the sample members, such as gender, age, educational attainment, and years of experience. The mean and standard deviation were used for the descriptive analysis of the study variables and dimensions.
2. The Cronbach's alpha coefficient for the questionnaire

dimensions was calculated to verify the reliability of the study tool.

3. Regression analysis was used to estimate the extent to which marketing orientation, as an independent variable, contributes to explaining the changes in competitive advantage as the dependent variable.

**Sixth: Presentation, Analysis, and Interpretation of Sample Responses to the Study Variables**

Presentation, Analysis, and Interpretation of the Results for the Independent Variable (Marketing Orientation)

This section presents, analyzes, and interprets the results of the sample's responses to the independent variable (marketing orientation), by addressing two sub-dimensions (proactive orientation, defensive orientation) through (10) items. Below are the results for these dimensions:

**Table 4:** Mean Scores, Standard Deviations, and Rankings for the Marketing Orientation Variable

Proactive Orientation				
S	Statement	Mean	Standard Deviation	Rank
1	The company always strives to understand customer needs before they express them directly.	3.78	0.98	3
2	The company analyzes future market trends to improve its products and services.	4.19	0.84	1
3	The company keeps track of the latest technological developments to apply them to its future products.	4.03	0.84	2
4	The company invests in market research to understand potential shifts in customer behavior and trends.	3.71	1.03	4
5	The company aims to always be proactive compared to its competitors in meeting future customer needs.	3.57	1.08	5
Overall mean for each dimension.		3.86	0.95	
Defensive Approach				
S	Statement	Mean	Standard Deviation	Rank
1	The company focuses on enhancing the loyalty of current customers while also striving to attract new customers.	4.13	0.76	2
2	The company responds quickly to customer complaints and works to resolve any issues that may affect their satisfaction.	3.63	0.91	5
3	The company strives to improve the efficiency of operational processes to maintain a competitive position against other companies.	3.78	0.98	4
4	The company relies on regular analysis of errors and shortcomings that may affect customer satisfaction and takes immediate corrective actions.	4.19	0.84	1
5	The company focuses on providing additional services aimed at retaining customers and preventing them from switching to competitors.	4.03	0.84	3
Mean for the Dimension		3.95	0.86	
Overall Marketing Orientation		3.9	0.91	

**The analysis results showed the following**

**Proactive Orientation:** The statement "The company analyzes future market trends to improve its services and products" received the highest mean score (4.19) with a standard deviation of (0.84), indicating the company's strong focus on market analysis as part of its proactive orientation. The statement "The company intends to always be proactive compared to its competitors in meeting future customer needs" ranked last with a mean of (3.57) and a standard deviation of (1.08), which may reflect challenges the company faces in maintaining leadership in meeting market requirements. The overall mean for this dimension was (3.86), indicating that the company leans toward a proactive approach at a good level.

**Defensive Orientation**

The statement "The company relies on regular analysis of errors and shortcomings that may affect customer satisfaction and takes immediate corrective actions" received the highest mean score (4.19) with a standard deviation of (0.84), reflecting the company's focus on

evaluating mistakes to improve customer satisfaction. In contrast, the statement "The company responds quickly to customer complaints and works to resolve any issues that may affect their satisfaction" ranked last with a mean of (3.63) and a standard deviation of (0.91), which may reflect challenges in the speed of responding to customer complaints. The total average for this dimension was (3.95) proving the strong advocacy of defending its market share and customers.

The overall mean for the marketing orientation was (3.9) with a standard deviation of (0.91), indicating that the company successfully implements marketing orientation strategies, using both proactive and defensive orientations to strengthen its competitive position.

**Presentation, Analysis, and Interpretation of the Dependent Variable (Competitive Advantage)**

In this section, we present, analyze, and interpret the results of the sample's responses to the dependent variable (competitive advantage) through five statements. Below is the presentation of the results for these dimensions:

**Table 5:** shows the means, standard deviations, and rankings for the competitive advantage variable.

Competitive Advantage				
S	Statement	Mean	Standard Deviation	Rank
1	The company offers competitive prices compared to other companies in the market.	3.71	1.03	1
2	The company has a high capacity for innovation and regularly develops new products.	3.57	1.08	5
3	The company responds quickly to market changes to meet customer needs better than competitors.	3.68	1.19	2
4	The company has a strong reputation and high trust among customers in the market.	3.59	1.09	4
5	The company has an effective distribution network that ensures timely delivery of products to customers.	3.62	1.03	3
Overall Competitive Advantage		3.63	1.08	

The analysis results revealed that the statement "The company offers competitive prices compared to other companies in the market" ranked first with a mean of 3.71 and a standard deviation of 1.03, indicating that the company places significant emphasis on offering competitive prices, enhancing its attractiveness compared to other companies. On the other hand, the statement "The company has a high capacity for innovation and regularly develops new products" ranked last with a mean of 3.57 and a standard deviation of 1.08, suggesting that the company faces some challenges in continuous innovation, which may require further efforts to support its competitive advantage through ongoing development.

The overall mean for competitive advantage was 3.63, reflecting a good level of competitive excellence for the company, with clear strengths in competitive pricing, rapid distribution, and responsiveness to market changes.

**Seventh: Testing and Interpreting the Research Hypotheses**

Main Hypothesis: There is no statistically significant effect at the significance level ( $\alpha \leq 0.05$ ) of marketing orientation on competitive advantage in the companies under study.

This hypothesis and the derived hypotheses were tested using simple regression analysis. The following table presents the results of the analysis:

**Table 6:** Analysis of the Effect of Marketing Orientation on Enhancing Competitive Advantage

Dimensions of the Independent Variable	Dependent Variable	Value of Marginal Slope Coefficient ( $\beta$ )	Correlation Coefficient (R)	Coefficient of Determination ( $R^2$ )	Calculated Value of (F)	Calculated Value of (t)	Sig	Significance
Defensive Orientation	Competitive Advantage	1.019	0.786	0.618	181.281	13.464	0.00	Significant
Proactive Orientation		0.854	0.571	0.326	54.162	7.359	0.00	Significant
Marketing Orientation		1.044	0.718	0.516	119.370	10.926	0.00	Significant

The correlation coefficient (R) was 0.718, indicating a strong positive relationship between marketing orientation and competitive advantage. The test also shown that 51.6% of variability of competitive advantage change could be explained by marketing orientation which indicate by the coefficient of determination ( $R^2=0.516$ ) whilst the remaining 48.4 was due to other factors that were not included under the model. This shows that though the marketing orientation is a major influential factor there are other factors that are influential. With relation to the research question 4, the marginal slope coefficient ( $\beta$ ) for marketing orientation was 1.044 suggesting that marketing orientation has a highly significant positive impact on competitive advantage. The results also reveal that the impact of marketing orientation on competitive advantage is positive and significant; the increase of one unit in marketing orientation leads to 1.044 unit increase in competitive advantage, further confirming the proposition of the theoretical framework.

The F-test calculated in the analysis was 119.37 and this is large than the tabular value and the probability (Sig) was 0.00 which is less than 0.05. This shows that the overall model is significant, and the overall model significant for marketing orientation to influence competitive advantage. The t-value obtained was 10.926 and the significance level (Sig) = 0.00, which confirm the need for the marketing orientation in the prediction of competitive advantage.

The findings suggest that marketing orientation has a positive and significant impact on competitive advantage, and together account for a significant proportion of the variation in the competitive advantage. This scenario was evidence that the company needed to capture better marketing tools that would make it more competitive in the market. Thus, the researched hypothesis suggesting the lack of relationships between marketing orientation, on the one hand, and competitive advantage on the other at significance level  $\alpha \leq 0.05$  in the companies under investigation is negated.

**Sub-hypothesis 1:** There is no statistically significant effect at the significance level ( $\alpha \leq 0.05$ ) of defensive orientation on competitive advantage in the companies under study.

They have also shown that there is a very strong positive association between defensive orientation and competitive advantage and the measure of this association is the correlation coefficient (R) that stands at 0.786. Explaining the identified changes in competitive advantage, the  $R^2$  coefficient of the model was equal to 0.618, which means that 61.8% of such changes are directly associated with defensive orientation and 38.2% is associated with other picture factors not considered in this model. This strongly indicates that defensive orientation has an effect on the decision way beyond zero, but it is far from being the only factor. The value of the regression coefficient ( $\beta$ ) for



defensive orientation was 1.019, suggesting that defensive orientation significantly and positively influence competitive advantage. In particular, the analyses reveal that for each increase in defensive orientation by one unit, GA improves by 1.019 units, so the greater the target firm's defensive orientation, the more competitive advantage it acquires.

I sought F value which was calculated to be 181.281 thus big implying that there are significances differences among the groups, sig value I got was 0.00, which is less than 0.05. This means that the overall model is significant and defensive orientation which is one of the variables has an effect the competitive advantage. The obtained t-statistic was 13.464, which is significant at Sig = 0:00, thus providing additional evidence for the role of the defensive orientation variable in explaining Competitive Advantage.

The findings also show that the level of defensive orientation indeed has a direct and positive impact on the level of competitive advantage by accounting for a great deal of the changes in competitive advantage. This fills the need to ensure that the company is able to incorporate good defending strategies as a way of preserving its market position. Thus, the hypothesis which supposes that "defensive orientation of companies under study does not have statistically significant impact, at the significance level ( $\alpha \leq 0.05$ ) on competitive advantage" is declined.

#### Sub-hypothesis 2

There is no statistically significant effect at the significance level ( $\alpha \leq 0.05$ ) of proactive orientation on competitive advantage in the companies under study.

The obtained values were an  $R = 0.571$  so that proactive orientation and competitive advantage showed a moderate positive relationship. The value of coefficient of determination ( $R^2$ ) was equal 0.326 which tells us that 32.6% of variation in competitive advantage can be explained by proactive orientation; the remaining 67.4% of variation of competitive advantage can be accounted by other variables not included in the model. This means that the proactive orientation has a positive impact, although it is not the most important determinant of competitive advantage. The value of the regression coefficient ( $\beta$ ) for proactive orientation was 0.854, indicating that proactive orientation has a positive effect on competitive advantage. Specifically, for every one-unit increase in proactive orientation, competitive advantage increases by 0.854 units, demonstrating the role of proactive orientation in enhancing the company's competitive advantage.

The calculated F-value was 54.162, which is large, with a significance (Sig) value of 0.00, which is less than 0.05. This indicates that the model as a whole is statistically significant and that proactive orientation has a significant effect on competitive advantage. The calculated t-value was 7.359, which is significant at the significance level (Sig) of 0.00, further supporting the importance of proactive orientation in predicting competitive advantage.

The results indicate that proactive orientation has a positive and significant effect on competitive advantage, explaining part of the changes in competitive advantage. This reflects the importance of adopting proactive strategies to enhance the company's competitive position in the market. Therefore, the hypothesis stating that "there is no statistically significant effect at the significance level ( $\alpha \leq 0.05$ ) of proactive orientation on competitive advantage in the companies under study" is rejected.

## Section 4: Conclusions and Recommendations

### First: Conclusions

1. The study confirmed that marketing orientation represents a fundamental pillar in enhancing the competitive advantage of industrial companies, reflecting the importance of focusing on marketing strategies to achieve market dominance.
2. Self-placement also revealed that defensive attitude was statistically significant with competitive advantage since it safeguarded market share and customer stability hence empowering these companies against rivals.
3. Even though proactive orientation is ranked second in terms of importance, it underlines that assessing the possible shifts in the market and getting ready for them is a priority, and helps companies to profit from new trends.
4. The given work showed that the key improvement of the concept of a defensive and proactive orientation is the balance orientation that delivers sustainable competitive advantage is used being an effective strategy in the altered market environment.
5. Implications of the findings were that marketing strategies, professing to be innovative and effective, are not a 'luxury' or a matter of choice, but a basic imperative that defines competitive superiority in industrial markets.
6. There emerged evidence that marketing orientation with the components (proactive orientation and defensive orientation) positively influence marketing orientation and the competitiveness of companies.

### Second: Recommendations

1. There is an indication that efforts should be directed towards the formulation of appropriate defensive strategies aimed at achieving customer retention and maintaining a steady market share through increased product and service quality and hence high customer satisfaction levels.
2. There is need for organizations to integrate an innovation culture and product development in order to enhance their market response as well as their capacity to cope with new market requirements.
3. Aimed at providing that a firm should build an optimum ratio between the defensive and proactive orientations it is possible to provide the following: In fact, it is possible to consider the issue of balancing between defensive orientation and proactive orientation as a key to success that allows building the right balance between the firm's market share stability, on the one hand, and the firm's anticipations of future opportunities, on the other.
4. One of the key arguments put forward in the paper is that the reputation and trust that companies have won in the market are critical to achieving competitive sustainability and attracting new consumers.
5. Organizations must provide for orientation training and growth of its human capital in the marketing orientation to ensure clear implementation of strategies from marketing orientation, to meet customers' needs, as influenced by the market.
6. One advisable direction that is important is to increase the intensity of investing in market research so as to encourage learning and understanding of such trends and changes that are characteristic of the market today and which are essential in designing accurate and effective marketing strategies that help to meet customers' needs.

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